



Daily Report

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Daily Report

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General

Clinton Congratulates Yeltsin on Referendum

OW2604224393 Beijing XINHUA in English 2111
GMT 26 Apr 93

[Text] Washington, April 26 (XINHUA)—U.S. President Bill Clinton today telephoned Russian leader Boris Yeltsin, congratulating him on apparently winning a national referendum.

"This is a very, very good day not only for the people of Russia but for all the people of the world," Clinton said.

Clinton told an impromptu press conference after his 15-minute telephone conversation with Yeltsin that the result of the referendum was an "outstanding victory."

Yeltsin appeared to be heading for winning the referendum according to exit polls. Preliminary national results will be announced Tuesday [27 April] morning and the final results won't be available until several days later.

"I think the reaffirmation of his policies really is a tribute to the farsightedness of the Russian people," Clinton said.

"It's a real tribute to his courage and to their common sense and ability to see the future. It's very tough to do when you're going through what they've gone through already."

Clinton announced an aid package of 1.6 billion U.S. dollars during his summit meeting with Yeltsin in Vancouver, Canada, early April.

Washington announced a second package of some 1.8 billion dollars mid-April in Tokyo, Japan, during an extraordinary meeting of G-7 foreign and finance ministers.

While the first package only involves money already appropriated and therefore does not have to be passed by Congress, Clinton faces an uphill task in convincing the American people, represented by Congress, to endorse the second package when the U.S. itself is suffering budgetary pinch.

"I do believe that we have to think of this as a long term effort, we have to be in this for the long run. But I think it will be eventually beneficial to the United States," Clinton said.

Japanese Paper Says Yeltsin Visit Set for 25-27 May

OW2704061593 Beijing XINHUA in English 0556
GMT 27 Apr 93

[Text] Tokyo, April 27 (XINHUA)—Russian President Boris Yeltsin's visit to Japan has been tentatively set for May 25 to 27, the mass-circulation newspaper YOMIURI SHIMBUN reported today.

The daily said an unofficial accord on the itinerary of Yeltsin's Tokyo trip was reached in private talks between Japanese officials and Russian Deputy Foreign Minister Georgiy Kunadze, who arrived in Japan on Sunday.

The paper speculated that a compromise may have been reached on the issue of Japan's claim to the four Russian-held islands off Hokkaido, and that this might be announced during summit talks between Yeltsin and Japanese Prime Minister Kiichi Miyazawa.

Japan plans to send Deputy Foreign Minister Kunihiko Saito to Moscow to help finalize details of Yeltsin's visit, YOMIURI quoted Japanese Government officials.

The Russian president's scheduled visit to Japan last September was abruptly cancelled on the ground that Tokyo was pressing Moscow to work out a date for return of the four small northern islands—Etorofu, Habomai, Kunashiri and Shikotan—captured by the Soviet Red Army in the final days of World War II.

Romania's Iliescu: Talks With Clinton 'Constructive'

OW2704042593 Beijing XINHUA in English 0357
GMT 27 Apr 93

[Text] Bucharest, April 26 (XINHUA)—Romanian President Ion Iliescu told Romania's parliament today that his talks with President Bill Clinton and other U.S. leaders last week were "constructive."

During Iliescu's trip to Washington from April 19 to 24, he attended the opening ceremony of the U.S. Holocaust Memorial Museum, and he said that the visit represented Romania's participation in contemporary political life.

The president said he was afforded more than courtesy interviews with American leaders and that political circles in Washington showed interest in the situation in Romania. In addition, he said, several well-known American companies, including Coca Cola, expressed their intention to enter Romania's market.

The president also said he made contacts with the International Monetary Fund and the World Bank, and expressed pleasure that major international financial organizations like these are now open to Romania.

'Confrontation' Between West, Libya Viewed

HK2704030593 Beijing RENMIN RIBAO in Chinese
24 Apr 93 p 6

[Article by Zhao Zhangyun (6392 4545 0061) and Zhu Mengkui (2612 1125 7608): "The Lockerbie Crisis Remains Unsettled"]

[Text] On 8 April, the UN Security Council decided to maintain such sanctions as the air blockade and arms embargo against Libya on the grounds that "conditions

are not ready." Thus, the Lockerbie crisis that has lasted more than one year will remain in deadlock.

On 21 December 1988, Pan Am Flight 103 exploded in mid-air above Scotland's Lockerbie, and 273 people were killed. On 19 September 1989, Air France Flight 772 exploded in mid-air when flying over Niger, and 170 people were killed. In mid-November 1991, the United States, Britain, and France jointly accused some Libyans of causing the two air incidents and demanded that Libya arrest six suspects and hand them over. On 21 January 1992, the UN Security Council adopted Resolution 731, urging Libya to cooperate with the relevant international investigation and reply to the demand of the United States, Britain, and France for the extradition of the suspects. Libya rejected the demand of the West and regarded Resolution 731 as "unfair."

On 31 March, the UN Security Council adopted Resolution 748, demanding that Libya hand over two Libyans suspected of being responsible for the Lockerbie air incident and make an explicit promise to stop terrorist activities; otherwise, there would be such sanction measures as an air blockade, an arms embargo, and a reduction in its diplomatic missions. Libya regarded Resolution 748 as "being invalid and violating international law," and refused to carry it out. On 15 April, the UN Security Council announced that Resolution 748 had come into force. According to the relevant provision of the resolution, the UN Security Council should examine the implementation of the resolution and study the adoption of new measures every four months.

After the adoption of Resolution 748, some Arab countries reacted strongly, holding that the resolution was "unfair." The Arab League expressed "deep concern" over the negative influence of the resolution on the Arab world.

In the past year, although the international community, especially the Arab countries, has made efforts to seek a fair solution to the crisis, it has remained unsettled. In August and December last year, the UN Security Council twice decided to maintain sanctions against Libya, and this caused serious losses to Libya's national economy and its people's daily lives. The stability and development of the Maghreb Union as well as of the whole North Africa region were obviously affected.

This year, the United States and other Western countries continued to exert pressure on Libya, insisting that the two suspects must be extradited to a court in the United States or Scotland. Although Libya's position changed somewhat and became more flexible, it still insisted that the two men be handed over to a neutral country for investigation. Various countries in the Arab League, especially Egypt and Tunisia, have done a great deal of mediation work between the two sides. On 19 March, the seven-nation Council of the Arab League held a foreign ministers meeting in Tunis in order to seek a compromise scheme for resolving the crisis. They entrusted the secretary general of the Arab League with handing the

proposal of the foreign ministers meeting of the seven-nation council to the secretary general of the United Nations in order to "freeze" the status quo and to prevent the crisis from escalating further.

However, at the same time, on 30 March, U.S. Secretary of State Christopher announced to the U.S. Congress that the U.S. Government would intensify the sanctions against Libya and would consult allies about the possibility of imposing an oil embargo against Libya. Because an oil embargo would touch on the interests of some West European countries, Britain and France have reservations about this measure. The Maghreb Union countries have sent a letter to the UN Security Council, asking that another three months be given to Libya in order to seek a way to solve the crisis peacefully.

In order to relax the tension between Libya and the West, Libya's Foreign Ministry indicated on 21 April that Libya agreed to "take the initiative in handing over" the two men suspected of causing the Lockerbie air incident to a third country outside the United States, Britain, and France for "trial." Reportedly, a number of countries have made preparations for trying the two Libyans, but they "need the consent of the three Western countries."

On the other hand, Libya's Foreign Ministry reiterated its invitation to French judge Boulugier [1580 0712 0679 5102] to Libya to investigate the incident of the Air France flight.

Public opinion here holds that if neither side is willing to make compromises and concessions and if the confrontation between Libya and the Western countries continues, the crisis, if it remains unsettled, will just further worsen the regional situation. So people generally hope that both sides will adopt a realistic and flexible attitude to gradually narrow their differences and end the crisis as soon as possible.

Shanghai To Host Interaction Council Session

*OW2704110493 Beijing XINHUA in English 1033
GMT 27 Apr 93*

[Text] Beijing, April 27 (XINHUA)—The Interaction Council will open its 11th session in Shanghai from May 13 to 16, the Chinese Foreign Ministry disclosed here today.

Former heads of state and government from over 30 countries will gather in Shanghai to attend the meeting. Chinese leaders will meet with them in Beijing, according to the ministry.

The source said that the reason the current session was chosen to be held in China is because the country has been enjoying social and political stability and the continued improvement of the people's living standard.

The coming session will not only discuss the current international issues of importance but also acquaint

themselves with China's reforms and opening to the outside world through various activities.

The Interaction Council is a non-official international organization founded in 1983. During its annual session, delegates have free discussions on the current and future issues of significance ranging from politics to security, from economy to development, and from population to environment.

United States & Canada

Official Calls MFN 'Cornerstone' of Sino-U.S. Trade

OW2604140093 Beijing XINHUA Domestic Service in Chinese 0422 GMT 18 Apr 93

[Report by correspondent Wang Pingxing (3769 1627 5281): "Gan Ziyu Stresses That To Develop Sino-U.S. Trade Relations, Nontrade Factors Must Be Excluded"]

[Text] New York, 17 Apr (XINHUA)—Gan Ziyu, vice minister of the State Planning Commission, said here today that continuous development of Sino-U.S. trade relations will benefit both countries and that the impact of nontrade factors on bilateral trade relations should be removed.

Gan Ziyu, who was in the United States as head of a Chinese procurement delegation, made these remarks in an interview with this XINHUA reporter. The procurement delegation signed contracts a few days ago purchasing 21 aircraft worth \$800 million from Boeing Corporation and 14,000 cars worth \$160 million from the U.S. Big Three automakers.

Gan Ziyu said: At a time when the aerospace industry in many countries is in recession, China has sent a large procurement delegation to the United States to procure aircraft and cars. This is because China's transportation needs are increasing as a result of its rapid economic development brought about by reform and opening up. It also demonstrates that the Chinese market has huge potential and that there are broad prospects in developing trade relations between China and the United States.

He said: China and the United States are quite complementary economically. The United States has advanced technologies and capital, while China has an abundant labor force, a vast market, and some technological foundation. If the two sides can combine their strong points, it will contribute greatly to Sino-U.S. trade relations.

Gan Ziyu stressed: Giving each other most-favored nation [MFN] status is the cornerstone in the development of bilateral trade between China and the United States. If this cornerstone becomes shaky because of an impact from nontrade factors, both countries will lose. Today many large U.S. corporations are doing business

with China and have invested in it, and they all hope the question of MFN status will not be affected by nontrade factors.

Article Discusses Extension of MFN Status

Part One

HK2604101393 Hong Kong WEN WEI PO in Chinese 21 Apr 93 p 2

[Part One of "special article from Washington" by Chu Hsing-fu (2612 1630 4395), WEN WEI PO special correspondent based in Washington; dated 21 April: "New U.S. Moves in Granting Most-Favored-Nation Status to China"]

[Text] From now until 3 June, the U.S. Government and Congress will have to reconsider the question of whether or not they will unconditionally extend China's most-favored-nation [MFN] status for the year 1994. Over the past year, many heartening changes have taken place in China, and China has made numerous efforts on some questions of concern to the United States and has made comparatively great progress. However, people here maintain that on the question of striving for the unconditional extension of U.S. MFN status to China, China is faced with a grimmer situation this year than last. The main reason is that new President Clinton does not know much about China and is comparatively idealistic. His position and attitude toward China is much tougher than that of former President Bush.

Clinton May Use an Administrative Order To Get By

During last year's presidential election campaign, Clinton always attacked Bush with the then U.S. policy on China and repeatedly said he would extend China's MFN status conditionally. However, since assuming the presidency early this year, Clinton has been busy dealing with domestic economic and social problems. Except for handling such immediate problems as the Russian and Bosnian situations, he could spare almost no time to attend to other foreign affairs. Therefore, he has all along remained silent on the question of China policy. As the 3 June deadline is drawing nearer daily, what people are concerned about now is: Will Clinton ultimately extend China's MFN status unconditionally or conditionally this year?

Douglas Paal, chairman of the American Asia-Pacific Policy Center, maintained: This year, the Clinton administration will very probably extend China's MFN status by means of an administrative order, and it is very improbable that it will allow Congress to pass a bill for the conditional extension of China's MFN status. As for what the contents of the administrative order will include, they will be discussed by the White House and Congress. However, judging from the current situation, even though Clinton may extend China's MFN status for next year by means of an administrative order, he will

add to the administrative order some demands which he wishes China to comply with.

Paal maintained: If China makes progress in some questions of concern to the United States, this time next year, Clinton will persuade Congress to let him extend China's MFN status for the following year. If the United States finds that China is indifferent to or regresses [kai dao che 7030 0227 6508] on these questions, Clinton will then pass the ball back to Congress so it can attach some conditions by means of legislation when extending China's MFN status.

Conditions for China Involve Three Major Questions

What demands or conditions will the United States probably set for China? Paal said there would still be three basic questions, namely, narrowing the trade deficit, abiding by the Nuclear Nonproliferation Treaty, and observing human rights. Paal said: Although China has canceled the "No. 56" document concerning trade and announced the adoption of a series of measures to reduce tariffs, the United States still demands that China increase transparency in trade, make public all import and export regulations, and increase imports from the United States. In the meantime, the United States wishes China to implement the memorandum of understanding on intellectual property rights and the agreement on banning the export of prison labor-made products signed between China and the United States last year.

Regarding the human rights issue, China used to regard it as a question of internal affairs and was not willing to discuss it with Western countries. At present, China is willing to hold dialogues with all Western countries, including the United States. To date, China has released all imprisoned "4 June students," and for its part, the United States has shown satisfaction regarding this. However, the United States still insistently demands that China release all political prisoners and that it accept International Red Cross inspections of China's prisons.

It also demands that China continue to abide by the Nuclear Nonproliferation Treaty and the missile technology control system. This is another question of concern to the United States. Paal maintained that if China violates the agreements in the future by selling missiles to countries like Pakistan and Iran, the United States will cancel China's MFN status. However, the United States should also know that China did not previously join any relevant international treaties and was not restricted by the United States and others, but that having made promises now and being a great and proud country, China will not do anything to harm its status as a great country unless the United States decides to cancel China's MFN status or extends it conditionally.

The Korean Issue Needs China's Mediation

It is an obvious fact that the Clinton administration maintains a comparatively tough position on China with regard to such questions as the human rights issue and the reduction of the deficit in bilateral trade. However,

Paal maintained: The new U.S. Government will not isolate or take strong measures against China and will not fall out with China on the question of MFN status, because the United States needs China's cooperation in many international and regional matters. On the question of North Korean nuclear weapons, in particular, the United States has reached a deadlock with North Korea, which would yield to a soft stand rather than a tough stand. Therefore, the matter needs the mediation of a third country, and China is now the only country maintaining good neighborly relations with North Korea. The United States wishes China to persuade North Korea to rejoin the Nuclear Nonproliferation Treaty and to accept the inspection of the International Atomic Energy Agency.

China's economic construction needs a long-term peaceful domestic environment and a peaceful and stable international environment. Therefore, China unwaveringly and unremittingly pursues the line of good-neighborly relations and an independent foreign policy of peace and has scored very great achievements. In recent years, China has restored or established diplomatic relations with Indonesia, Singapore, and South Korea. These countries, as well as Japan and other Southeast Asian countries, are important U.S. allies in Asia, and they do not favor a U.S. policy intended to isolate China. They have clearly stated their opposition to U.S. cancellation or conditional extension of China's MFN status.

Asia Is Against Isolating China

These countries maintain that at present, China does not pose a threat to its Asian neighbors militarily and does not present any challenge to the United States with respect to its security interests in Asia. If China is isolated, it will surely have a sense of insecurity and will certainly spend more on national defense. If so, it will start a chain effect in the Asia-Pacific region, and will affect peace and stability in that region. Therefore, these countries urge the United States to maintain contacts with China, asserting that their maintaining contacts with each other conforms to the political, economic, and military interests of Asian countries.

Broad Prospects for Sino-U.S. Economic Cooperation

From the angle of economic cooperation, China's economy is the fastest-growing in the Asia-Pacific region and China's unprecedented economic boom has brought vitality to the economy of Asia and also offers a good opportunity to U.S. businessmen investing and doing business in China. According to data supplied by the Chinese Embassy, at the end of last September, the United States had increased its investment projects in China to more than 3,900, with negotiated investment of more than \$6.3 billion and actual investment of \$2.9 billion. As economic reform is further deepening, China will open its doors wider. If the United States is hard on China, the economic interests of U.S. businessmen will definitely be considerably affected.

From the angle of bilateral trade, if the United States cancels China's MFN status or extends it conditionally, it will lose the inestimably big market of China and U.S. consumers will be unable to buy cheap and quality Chinese products in the future; moreover, many U.S. workers will lose their jobs. Last year, the United States exported nearly \$7.5 billion of commodities to China. If every \$1 billion of U.S. products creates 20,000 to 30,000 job opportunities, some 200,000 people in the United States will lose their jobs. This will undoubtedly conflict with Clinton's policy goal of stimulating the economy and creating job opportunities.

Part Two

HK2604101593 Hong Kong WEN WEI PO in Chinese
22 Apr 93 p 4

[Part Two of "special article from Washington" by Chu Hsing-fu (2612 1630 4395), WEN WEI PO special correspondent based in Washington; dated 21 April: "U.S. Situation Is Conducive to Granting Most-Favored-Nation Status to China"]

[Text] Some American people maintain that with the speedy development of China's export-oriented economy, coupled with the fact that the United States has not yet canceled the ban on the export of high technology to China, the U.S. trade deficit with China will tend to increase in the future. However, while seeing China's rising trade surplus with the United States, we should also see the other side to the matter, namely, that the U.S. trade deficits with South Korea, Hong Kong, and Taiwan are decreasing continuously. Nicholas Lardy, the noted U.S. expert on China's economic problems, recently pointed out that the increasing U.S. trade deficit with China is internally related to its decreasing trade deficits with South Korea, Hong Kong, and Taiwan.

Interaction Among South Korea, Hong Kong, Taiwan, and the Mainland

Following China's quickening of the pace of reform and opening up in recent years, businessmen from South Korea, Hong Kong, and Taiwan have kept coming to set up export-oriented joint ventures in Mainland China. Since Mainland China possesses a huge cheap-labor market, foreign businessmen and Hong Kong and Taiwan businessmen have brought vast quantities of raw and semifinished materials and products into China. After making simple reprocessing touches to their semi-finished products in mainland China and affixing "made in China" labels to them, they export them to the United States via Hong Kong and other places. Last year, these entrepot exports to the United States amounted to approximately \$8 billion or more. However, making no distinction regarding these products at all, the U.S. Customs credits these "made in China" products all to China's account. And precisely because of this, South

Korea, Hong Kong, and Taiwan are against the U.S. cancellation or conditional extension of China's MFN status.

Owing to the promises he made during the presidential election campaign, coupled with the fact that the Democrat-controlled Congress has always been opposed to unconditional extension, Clinton will face a lot of pressure and resistance on the matter of extending China's MFN status this year. However, on the matter of extending China's MFN status, Clinton is also faced with some favorable factors at home.

Clinton Has No Worry

First, the White House and Congress are, we can say, members of the same family. These two authority organizations are both in the hands of the Democratic Party. While in opposition, the Democratic Party, relying on its majority in Congress, vigorously favored the conditional extension of China's MFN status, with the main objective of influencing Bush's China policy and in an attempt to beat him politically. Now that the White House is in the hands of the Democratic Party, there is no need for the Democrat-controlled Congress to contend with the White House. Senate Majority Leader Mitchell (Democratic Party), who has always been opposed to unconditional extension, said that in the past he opposed Bush's China policy out of political need, but now he respects the White House's opinion.

Second, although out of the administration, the overwhelming majority of Republican senators, who supported Bush on the unconditional extension of China's MFN status in the past, will find it almost impossible to change their former position, because their political interests are related to China. Senate Minority Leader Dole (Republican Party) and several other Republican senators come from grain-producing central and western parts of the United States, areas from which China imports a lot of grain each year. It seems that striving for the political support of electors and wishing to be reelected, many Republican senators will not agree to the cancellation or conditional extension of China's MFN status. As long as Republican leaders like Dole do not oppose, Clinton will not have much worry about extending China's MFN status.

A Pro-Chinese Force in Congress

It is worth mentioning that in the U.S. Congress, one more capable person now actively favors the unconditional extension of China's MFN status. He is Hamilton, chairman of the Senate Foreign Affairs Committee. Hamilton, a Democrat, has stressed many times recently that it is unwise to cancel or conditionally extend China's MFN status in the form of legislation and that it will give rise to confrontation in Sino-U.S. relations. He maintained that the central goal of U.S. China policy is not to isolate or take strong measures against China but to encourage the standardization of China's international behavior and cause it to further merge with

international mainstream society. Therefore, he appealed to the United States to take a balanced, realistic, and unemotional position and attitude toward China, where reforms are taking place.

As far as China is concerned, in order to narrow its trade surplus with the United States and to strive for the unconditional extension of MFN status, China has made numerous positive efforts in bilateral trade. In addition to lowering tariffs and further opening up its market, this month, China has sent several trade delegations to visit the United States and they have purchased vast quantities of commodities worth \$2 billion or more. The deals include the purchase of petroleum equipment worth \$1 billion and 14,400 cars and trucks worth \$160 million from the United States. China has also decided to purchase 21 Boeing airplanes worth \$800 million before 1994.

An economically prosperous and politically stable China implies that China's home market will further develop and improve. A daily developing and perfecting China market not only can allow more U.S. products to enter China, but also offers job opportunities to more American people. Should the U.S. Government cancel or relax the policy on exporting high technology to China, the trade imbalance between China and the United States can be further readjusted.

Must Not Lose China's Market

In the case of Boeing, China is its second biggest customer. It is said that China has so far purchased 194 Boeing passenger planes from the United States, with the business volume exceeding \$10 billion. China's civil aviation industry is now developing speedily, and as relevant people estimate, China needs to purchase at least 800 passenger planes from abroad in the next 15 years. If the United States can get this business by selling each airplane for \$40 million to \$50 million, the United States can earn \$30 to \$40 billion from China. This will be a very big deal. Will the United States not do this happy thing?!

Precisely because China is a very tempting market, leaders of U.S. industrial and commercial circles, including airplane manufacturers, auto manufacturers, the oil industry, and the pharmaceutical industry, are openly against the linking of Sino-U.S. economic relations and trade with political issues, including the human rights issue. They maintain: China has now entered a rapid economic boom, and if the United States cancels or conditionally extends China's MFN status, China will surely retaliate. If China is forced to purchase commodities from other countries, it will be an inestimable loss to the United States. Therefore, they have been lobbying the White House and Congress for the unconditional extension of China's MFN status.

People here maintain: In view of the various factors mentioned above, the White House and the U.S. Congress will have good reason to cancel or conditionally extend China's MFN status. Since China and the United

States have different social and political systems, it is inevitable that some contradictions and friction arise in their bilateral relations. However, these contradictions and friction can be resolved through normal diplomatic means. As long as China and the United States take the attitude of seeking common ground while reserving differences and of mutual understanding and mutual accommodation, and as long as the United States can appropriately and properly handle the issue of China's MFN status this year, we should say that there will be broad prospects for Sino-U.S. relations in the future.

Clinton To Announce 'Stronger Policy' on Bosnia

*OW2704000793 Beijing XINHUA in English 2318
GMT 26 Apr 93*

[Text] Washington, April 26 (XINHUA)—U.S. President Bill Clinton said here today that Washington and its allies need to move forward with a "stronger policy" on Bosnia and he would announce a new policy very soon.

"It is now clear ... that the United States and our allies need to move forward with a stronger policy in Bosnia, and I will be announcing the course that I hope we can take in the next several days," Clinton said during an impromptu press conference in the afternoon.

Earlier, Secretary of Defense Les Aspin said that the administration has come up with several options and is continuing to "refine the options and develop more knowledge about the options."

There are mounting calls for strong actions such as air strikes on Bosnian Serb positions and its supply lines and the lifting of arms embargo against Bosnian Muslims.

Supporters for the air strikes include 12 ranking officials from the State Department and Washington's ambassador to the United Nations, Madeleine Albright.

However, both options only received lukewarm reaction from the United States' allies.

Britain and France, both have troops in Bosnia-Herzegovina conducting peacekeeping and humanitarian missions under the UN, fear that air strikes could fuel an escalation of hostilities and disrupt the flow of relief supplies and endanger their nationals on the ground.

U.S. military leaders are also believed to be cool to air strikes. They argue that while the move could have some short-term effects, it would produce little in terms of the military situation in the long run.

An European Community foreign ministers meeting over the weekend fell short of deciding on either air strikes or an end to the arms embargo to Bosnian Muslims.

While continuing the consultations with Congress, the Clinton administration is also stepping up efforts to work out tougher moves against the Serbs.

Clinton was planning to have a telephone conversation with French President Francois Mitterrand and Secretary of State Warren Christopher was rumored to be going to Europe and possibly also Moscow on the Balkan crisis but State Department spokesman Richard Boucher said no decision on that had been made.

Late Sunday night, Clinton signed an executive order tightening sanctions against Yugoslavia (the republics of Serbia and Montenegro).

According to the executive order, the United States would:

- Freeze all U.S. assets owed or run by Serb or Montenegrin firms.
- Detain all vessels, aircraft and freight vehicles suspected of violating UN sanctions within U.S. territory.
- Ban any vessel registered in the U.S. and controlled by Americans (not including U.S. military vessels) from entering the territorial waters of Yugoslavia.
- Prohibit U.S. citizens from engaging in any dealings relating to the shipments of goods to, from or through UN protected areas in Croatia and Serb-controlled regions in Bosnia-Herzegovina.

'Roundup' on Clinton's First 100 Days in Office

OW2704035893 Beijing XINHUA in English 0341
GMT 27 Apr 93

[“Roundup” by Wang Jinhe: “Clinton’s First 100 Days—‘A Bumpy Ride’”]

[Text] Washington, April 26 (XINHUA)—The performance of Democrat Bill Clinton’s presidency during the first 100 days, which end on Thursday, is now being widely assessed with some saying it has been “a bumpy ride” for him with successes and setbacks while others say he has not been able to achieve as much as Franklin Roosevelt.

Roosevelt, who became the 32nd U.S. president at a time of the Great Depression in 1933, pushed through after taking office 15 major “New Deal” relief and recovery laws and forever changed the government’s reach and role, thus making his first 100 days such a “blazing success.”

Ever since those Roosevelt days, Americans have traditionally used the first 100-day performance of a new president as a benchmark to assess him and the new administration.

Speaking to newspaper editors in Boston on Sunday, President Clinton defended the early days of his presidency as having offered Americans a “fundamental change” in direction on both the foreign and domestic fronts and dismissed suggestions that he had not accomplished enough.

Firstly, he pointed to the swift congressional passage of his four-year 500-billion dollar economic package which would help reduce the federal deficit by 140 billion dollars by the year 1997.

Under this plan described as “unprecedented,” tax rates are raised for big businesses, special interest groups and the wealthy, and middle class people and all those above that class are asked to “contribute” to the “change” designed to “reinvigorate the U.S. economy.”

Secondly, soon after taking office, Clinton called a cabinet meeting and announced three orders to cut the 2.1-million-member civilian work force by 100,000 through attrition by the end of 1995, with 10 percent of the cuts coming from management.

In taking the lead, Clinton ordered a cut of the White House staff by 25 percent and a reduction of the White House payroll by three to six percent beginning next October when the 1994 fiscal year begins, thus saving 10 million dollars a year.

Thirdly, Clinton said that the White House was “busting a gut” working on a long-term reform in health care and other key areas, so that some 37 million Americans who do not at present have medical insurance will be covered by the reform.

Fourthly, President Clinton also defended his administration’s efforts to support democratic reforms under Russian President Boris Yeltsin, saying that “we cannot afford to withdraw from the struggle ... All our futures are at stake there.”

The White House has made a commitment of 4.3 billion dollars in aid to Russia and has successfully spearheaded a campaign for the Western allies to prop up the beleaguered Russian president with a 28-billion dollar aid package.

However, last week witnessed Clinton’s first major setback in Congress legislation when his 16.3-billion dollar jobs bill, part of his “ambitious” economic package, was killed by the Senate Republicans.

Clinton and his 16 cabinet members and senior aides went to other states to sell his economic plan soon after he presented it to Congress on February 17, urging voters to ask their congressmen to pass his plan, including the jobs bill.

After almost a month of debate, the jobs bill was killed by the Republican filibusters even though Clinton expressed his willingness to make certain compromises.

Republicans say that the U.S. economy has begun recovering and there is no need to increase any spending which will lead to a greater deficit.

Summing up the lesson, President Clinton said: “I must say there’s a lot I have to learn about this town (Washington).”

So sources say that no one can tell what will happen to the forthcoming draft on long-term health care reform which is scheduled to be out next month, because the issue is a much more complicated one than the jobs bill.

Americans have complained that Clinton has "overpromised and underachieved." As a candidate, Clinton had said he would make the first months of his administration the most productive in the modern history of the United States, and would focus on economy like a "laser beam." "I intend to have an explosive 100-day action period," he said.

Coming to power, they noted, Clinton tempered these expectations, saying that "I'll work as hard as I can and get as much done as quickly as I can."

But under the microscopic scrutiny of his first days in the White House, they said, Clinton was found to have stumbled twice: over his choice for attorney general and then in underestimating the uproar over allowing homosexuals in the military.

His promise to lift the ban on homosexuals in the military touched off a strong reaction from various sectors and he had to put off the debate for six months because of the strong opposition from within the military itself.

Ms. Zoe Baird, a 500,000-dollar-a-year corporate lawyer and Clinton's nominee for attorney general, violated the Federal Immigration Law and met with strong opposition from both Republicans and Democrats at a Senate confirmation hearing.

She asked President Clinton to withdraw her nomination 36 hours after his swearing-in as president. He accepted her request with "sadness." This being the first such case in some 120 years in the United States, it was viewed as "the first political setback" for the young Clinton administration.

They also complained that candidate Clinton promised to cut taxes for the middle classes and provide asylum for Haitian refugees, but president Clinton did the opposite—raising taxes and returning the Haitians.

Sources here also say that President Clinton and his administration have to go through "more tests" internationally. He himself also voiced frustration over the ongoing ethnic violence in Bosnia, calling it "the most difficult foreign policy problem this country faces."

He reiterated, however, that he had not made up his mind on the matter.

The local news media has noted that there have been ten presidents since Roosevelt, including President Clinton who was born after the Second World War, but never a 100 days of action like those from Roosevelt in the depression springtime of 1933.

As a checkpoint on the first three-plus months of a new presidency, it is as good as any. But judging performance

on the basis of what's actually been accomplished in that short span is unrealistic at best, one senior newsmen suggested.

"Governing is different from campaigning and we have to deal with a much more unpredictable and uncertain and uncontrollable world," a government official said, insisting on anonymity.

For Clinton, the real tests will come in the second 100 days and the third 100 days, sources predicted.

Addressing the editors in Boston, Clinton admitted that he knew he wasn't accomplishing all he had hoped in his first 100 days, but he said "that's why you get a four-year term, not a three-month term".

"I may have overextended myself" in the first 100 days "and we've got to focus on big things," Clinton suggested.

Shanghai Team To Recruit Chinese Students in U.S.

*OW2704050193 Shanghai JIEFANG RIBAO in Chinese
15 Apr 93 p 1*

[“Shanghai Opens its Door Wider To Welcome the Return of Chinese Students From Abroad—A Recruiting Team Is Leaving for the United States on 17 April and a Series of Preferential Policies Were Promulgated”]

[Excerpts] A recruiting team organized by the Shanghai municipal people's government will visit New York, Washington, Chicago, Houston, and Los Angeles to comfort and recruit talented Chinese students studying in the United States. At a press briefing yesterday, Wang Shenghong, head of the recruiting team, urged the news media to relay his message to students studying in the United States: Shanghai is opening its door wider to earnestly welcome all students studying abroad who have genuine talents to come to Shanghai and put their talents to good use.

Since the promulgation of the "Regulations of Shanghai Municipality on Encouraging Students Studying Abroad To Come To Work in Shanghai" last year, the Shanghai municipal government has also drawn up relevant supplementary policies. [passage omitted]

A survey conducted by departments concerned shows that Shanghai needs up to 1,000 students studying abroad to work in the municipality, and particularly qualified personnel in the following fields: finance, trade, real estate, investment, urban planning and construction, computer science, telecommunications, electronics technology, control engineering, medicine, biology, management, finance, accounting, law, mechanical engineering, material science, and chemical engineering.

The recruiting team was led by Wang Shenghong, director of the municipal education and public health office, and Wang Shaochang, deputy director of the

municipal personnel bureau, is deputy head. Its members include leaders of the municipal Science and Technology Commission, Planning Commission, Foreign Economic Relations and Trade Commission, and the New Pudong District. The recruiting team sincerely welcomes students studying in the United States to contact the recruiting team, bringing with them their resumes, or to contact by telephone the education section of the consulate-general in the six cities.

Central Eurasia

Yeltsin Reviewing Results of Russian Referendum

OW2604191893 Beijing XINHUA in English 1700
GMT 26 Apr 93

[Text] Moscow, April 26 (XINHUA)—Russian President Boris Yeltsin will announce a series of "plans of action" after studying the final results of the national referendum on his leadership, a spokesman for the president said here today.

The spokesman said that Yeltsin is studying the initial results of the referendum which was conducted throughout Russia yesterday.

The president is pleased with the heavy turnout in the poll, he said.

He quoted Yeltsin as saying that the parliament leader has failed to prevent the people from expressing their will.

Yeltsin has won a vote of confidence in the referendum but fell short of his aim to force new parliamentary elections, according to exit polls and partial official results.

Sixty two percent of the registered voters in Russia turned out in the referendum with initial results favoring President Boris Yeltsin, said Vasiliy Kazakov, chairman of the Russian Central Election Commission.

Talking to a parliament session this morning, parliament Chairman Ruslan Khasbulatov said "this referendum will produce neither losers nor winners. It has split society further and has weakened Russia's statehood as predicted."

Khasbulatov, Yeltsin's main opponent, was commenting after preliminary results showed the president had won around 50-60 percent of the votes cast in a vote of confidence in his presidency.

Yeltsin's opponents admitted that the president had won a victory, but said Yeltsin should not use the victory as an excuse for taking unconstitutional actions, local reports said.

Wins Vote of Confidence

OW2704011493 Beijing XINHUA in English 0034
GMT 27 Apr 93

[Text] Moscow, April 26 (XINHUA)—Russian President Boris Yeltsin won the confidence of the majority of the voters in the Sunday referendum, a well-placed source says, but most voters appear not to have consented to earlier elections of people's deputies.

According to the source, 55.7 percent of the voters cast votes of confidence in Yeltsin and 50.2 percent supported his government's current policies.

In addition, 32 percent of the voters are said to have favored earlier presidential elections and 38.3 percent earlier elections of people's deputies.

According to Russia's election committee, 62 percent of Russia's registered voters took part in the Sunday referendum.

Further on Returns

OW2704093293 Beijing XINHUA in English 0830
GMT 27 Apr 93

[Text] Moscow, April 27 (XINHUA)—Preliminary returns from the votes in Russia's Sunday referendum showed that 59.8 percent of the voters supported President Boris Yeltsin, and 54.5 percent supported his current socio-economic reform program.

These figures were disclosed to the press today by a number of Russian people's deputies who are members of the parliamentary coalition of reforms.

The count showed that 28.4 percent of all eligible voters favored Yeltsin's reelection and 44.6 percent said "yes" to the reelection of the parliament.

Sergey Yushenkov, a deputy who met the press, expressed his belief that the support of the Russian president and his economic course "should prod Boris Yeltsin towards more radical steps in transforming society".

Paper Cited on Rutskoy Losing Agriculture Post

OW2704022993 Beijing XINHUA in English 0154
GMT 27 Apr 93

[Text] Moscow, April 26 (XINHUA)—Russian Vice President Aleksandr Vladimirovich Rutskoy has been deprived of his responsibilities for agriculture reform under a presidential order released here today.

The newspaper "IZVESTIYA" reported that President Boris Yeltsin signed the order on April 23.

Rutskoy, who has been in charge of reforms in agriculture since last year, has serious differences with the president and the government over many major problems, including the privatization of land.

The vice president is a strong critic of Yeltsin's reform policy and has accused some governmental officials of abusing their powers and being involved in corruption.

Yeltsin, who won a vote of confidence in Sunday's national referendum, said recently that the vice president was categorically opposed to reform, and that he would ask him to resign.

1993 Beijing Business Consultations Open in Moscow

*OW2704015493 Beijing XINHUA in English 0141
GMT 27 Apr 93*

[Text] Moscow, April 26 (XINHUA)—Representatives of over 30 Chinese foreign-trade companies are meeting here today in the 1993 Beijing business consultations to seek to improve their businesses in Russia.

Hundreds of Russians, including entrepreneurs and industrialists, attended the opening ceremony on Monday and viewed exhibitions of textiles and other light industrial products. The business consultations will last five days.

Kazakh Supreme Soviet Chairman Visits Xinjiang

*OW2504173293 Beijing XINHUA in English 1531
GMT 25 Apr 93*

[Text] Urumqi, April 25 (XINHUA)—S.A. Abdildin, chairman of the Supreme Soviet of Kazakhstan, ended his two-day visit here and left for home today.

Tomur Dawamat, vice-chairman of the Standing Committee of the Chinese National People's Congress and chairman of the People's Government of Xinjiang Uygur Autonomous Region, met Abdildin and his party during their stay here.

Tomur Dawamat said China and Kazakhstan are neighbors with traditional friendship and they share long borders.

In recent years, the economic, trade and cultural exchanges between the two sides have been expanded at a quick pace, he said, adding that the prospects of cooperation will become even broader in the future.

Abdildin said that Kazakhstan and China are friendly neighbors. He expressed the hope that the contacts between the two countries would be enhanced.

Arrives Back in Almaty

*OW2604033593 Beijing XINHUA in English 0239
GMT 26 Apr 93*

[Text] Almaty, April 25 (XINHUA)—Serikbolsyn Abdildin, chairman of Kazakhstan's Supreme Soviet, said here today he had witnessed great achievements China has made in its reforms during his recently completed six-day visit to China.

He said this to XINHUA on his arrival in Almaty.

"We are interested in China's experiences with economic reforms," he said.

Instead of a decline in production, living standards have been going up as a result of China's endeavors to adopt a market economy, he said. He expressed particular interest in this.

He said high-level contacts between leaders of China and Kazakhstan would help increase friendship and mutual understanding.

Abdildin also expressed satisfaction in China's stance and policies on major international issues.

Northeast Asia

Li Peng Sends Condolences on Kinkazu Saionji's Death

OW2604104493 Beijing XINHUA Domestic Service in Chinese 0909 GMT 26 Apr 93

[Text] Beijing, 26 Apr (XINHUA)—On 24 April, Li Peng, premier of the State Council, sent a message of condolence to Madame Yukie Saionji, expressing his deep condolences over Kinkazu Saionji's death.

The full text of the message follows:

"We have learned with great shock of the untimely death of Mr. Kinkazu Saionji and wish to express our profound condolences.

"Mr. Kinkazu Saionji was an old friend of the Chinese people. He was a pioneer in developing Sino-Japanese friendship. He made important contributions to realizing the normalization of Sino-Japanese diplomatic ties and to enhancing Sino-Japanese relations during his lifetime. His good name will be forever remembered in the hearts of the Chinese and Japanese peoples.

"Please restrain your grief and take care of yourself."

Li Lanqing Meets Former Japanese Trade Minister

*OW2704092793 Beijing XINHUA in English 0920
GMT 27 Apr 93*

[Text] Beijing, April 27 (XINHUA)—Chinese Vice-Premier Li Lanqing met with Watanabe Kozo, member of Japanese House of Representatives and former minister of international trade and industry, and his party here today.

Japanese visitors arrived in Beijing yesterday at the invitation of the All-China Youth Federation. They are scheduled to leave for Chongqing later today.

NPC Vice Chairman Wang Hanbin Meets Japanese Lawyers

*OW2604065793 Beijing XINHUA in English 0623
GMT 26 Apr 93*

[Text] Beijing, April 26 (XINHUA)—Wang Hanbin, vice-chairman of the Standing Committee of the Chinese National People's Congress (NPC) met here this morning with a Japanese lawyers delegation from the Japan-China Association for Exchanges Between Lawyers.

Headed by Oka Tokio, executive director of the association, the nine-member delegation is here to learn about the drawing up of corporate and securities laws in China.

Most of the members of the delegation are from the association's society of Chinese economic law.

They are scheduled to tour Shanghai and Shenzhen later.

Ni Zhifu Receives Japanese Labor Institute Group

*OW2604134793 Beijing XINHUA in English 1329
GMT 26 Apr 93*

[Text] Beijing, April 26 (XINHUA)—Ni Zhifu, vice-chairman of the Standing Committee of the Chinese National People's Congress (NPC) and president of the All-China Federation of Trade Unions, met today with a Japanese delegation from the Japan Institute of Labor headed by its director general, Sirai Shintaro.

The five-member delegation arrived in Beijing earlier today as guests of the federation. They are here to learn about China's reform in labor policies.

JIEFANG RIBAO Group Leaves for Fukushima

*OW2704061393 Shanghai JIEFANG RIBAO in Chinese
17 Apr 93 p 1*

[Text] At the invitation of the FUKUSHIMA MINPO [Fukushima People's Daily] Agency, a seven-member JIEFANG RIBAO delegation, led by Chen Nianyun, adviser and former chief editor of JIEFANG RIBAO, left Shanghai on a visit to Japan on 16 April.

FUKUSHIMA MINPO was established more than a century ago, in August 1892. It has been quite an influential local newspaper in Japan. The agency's printing machines and equipment and management technology are among the top when compared to its Japanese counterparts. During its tour in Japan, the delegation will discuss cooperation on certain issues including journalistic business and printing technology. The delegation will also visit Fukushima, Sendai, and Tokyo. Delegation members include Jin Fuan, Wang Renli, Li Desen, Wu Jingcan, Lian Jinhe, and Jiang Xinghua.

Chinese, Japanese Universities Cooperate in Research

*OW2404075293 Beijing XINHUA in English 0719
GMT 24 Apr 93*

[Text] Hefei, April 24 (XINHUA)—The Chinese University of Science and Technology and Japan's Tokyo University have benefited greatly from cooperation in the academic fields over the past 11 years.

Since 1982 when the two universities launched an academic cooperation program, they have carried out more than 60 research projects. Twelve have passed official appraisal.

Half won scientific prizes at ministerial and provincial level, and nearly 400 scientific treatises have been produced and compiled in two volumes.

According to the Chinese University of Science and Technology, most of the scientific achievements reached national advanced levels and some were of international significance.

The Japanese and Chinese Governments allocated 50 million yen and 800,000 yuan respectively a year for the cooperation projects.

With the permission of the Chinese and Japanese Governments, the two universities will extend their cooperation from the engineering to science and invite other Chinese and Japanese universities to participate in the program.

Auto Deal With ROK Opens Way for Foreign Investment

*OW2604035393 Beijing XINHUA in English 0247
GMT 26 Apr 93*

[Text] Beijing, April 26 (XINHUA)—An agreement has been signed here on the establishment of the Sino-Republic of Korea (ROK) Beijing Jinghan Automobile Passenger Transportation Co. Ltd.

This marks the opening of Beijing municipal works to foreign investment. In the past, Beijing only accepted foreign funds from foreign governments and the World Bank for its infrastructure.

Earlier this year, Deputy Mayor Wang Baosen said Beijing encourages foreign investment in the energy, transportation, telecommunications and environmental protection sectors. Quite a few foreign investors have shown interest in these fields, according to local officials.

Beijing is linked to 195 countries and regions through direct-dial telephones, and with 207 cities in 120 countries and regions through direct mail.

By last year the city had a total of 4,757 buses, transporting 3.5 billion people, besides the municipal subway.

Wang said Beijing welcomes foreign investment in the construction and management of new subway lines, public transportation and highways.

Southeast Asia & Pacific

Reportage on Philippine President Ramos' Visit

Manila Radio on Trade Accord Signing

HK2604133793 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 26 Apr 93

[Text] China and the Philippines signed a trade protocol today. The trade agreement, which aims to increase the volume of trade to a target of \$600 million before the end of 1993, was signed by Rizalino Navarro, trade and industry secretary, and Wu Yi, Chinese minister of foreign economic and trade cooperation, in the presence of President Fidel Ramos and Chinese President Jiang Zemin. The agreement covers the importation and exportation of goods between the two countries.

Meanwhile, also as part of the visit of President Ramos to China, the two leaders agreed not to discuss the dispute over the Spratly Islands.

Beijing Meetings Term 'Fruitful'

OW2604151193 Beijing XINHUA in English 1454 GMT 26 Apr 93

[Text] Beijing, April 26 (XINHUA)—Visiting Philippine President Fidel Ramos said here today that his meetings with the Chinese leaders, which are "very fruitful and encouraging", have enhanced mutual understanding.

He made the remark in an exclusive interview with XINHUA at the Diaoyutai State Guesthouse in Beijing.

The president said that the main topic for his discussions with Chinese President Jiang Zemin and Chairman Qiao Shi of the National People's Congress Standing Committee today is to continue and further expand bilateral cooperation.

Referring to the delegation accompanying him on the current visit, the president quoted Qiao Shi as saying that this is a "very powerful delegation." Besides nine cabinet ministers, Ramos said, he has also brought with him a large number of Philippine entrepreneurs including six leading Filipino-Chinese businessmen.

Ramos said one of purposes of their current visit is to know China through direct observation. "To us, it is very important to learn the secret of China's economic success during the past five years," he added.

Ramos said he and the Chinese leaders understand each other very well. Through talks, he said, the two sides obtained a better understanding of each other over regional and international issues.

He said the talks have enabled him to have a deeper understanding of China.

Many things have been clarified including Sino-Philippine cooperation in science and technology, the exchange in agriculture, training and development of human resources as well as the proposal of shelving disputes over the islands in the South China Sea and developing resources with joint efforts, the president said.

Speaking of Sino-Philippine trade and economic cooperation, Ramos said that the two sides have agreed to increase trade volume in every aspect so as to reach trade balance. The two sides have targeted 600 million U.S. dollars from 400 million, he added.

The Philippine people have been encouraged by the support of the Chinese Government and business people in the regard of energy and power development, he added.

He said that three cooperation documents have been signed today. "Seven more agreements will be signed tomorrow by the private sectors," he said.

Still more are expected to be signed in Shanghai and Guangzhou, he added.

Talks With Li Tieying, Others

OW2704070893 Beijing XINHUA in English 0648 GMT 27 Apr 93

[Text] Beijing, April 27 (XINHUA)—Visiting Philippine President Fidel V. Ramos met with Chinese State Councillor Li Tieying and a number of other Chinese officials here this morning.

Li, who is also China's minister in charge of the State Commission for Restructuring the Economy, briefed President Ramos on China's economic reform program. Li, formerly the minister of the State Education Commission, also gave an account of the country's ongoing educational reforms.

Li said that China's economy in the past had been highly centralized, but that its structure has been readjusted remarkably since the third plenary session of the 11th Congress of the Chinese Communist Party, held in late 1978.

Li said China's economic restructuring is aimed at liberating productive forces by making them more dependent on the market.

Li added that after implementing the reform and open policy for more than a decade, China last year set as a prime goal the creation of a socialist market economy. That goal was formulated in accordance with Deng Xiaoping's theory of building socialism with Chinese characteristics.

President Ramos expressed appreciation for the achievements China has made in economic reform. Ramos said

the situation in the Philippines is similar to that of China in many aspects. The Philippines, he added, could draw lessons from China's experience in economic reforms.

The president suggested that the Philippines send a special delegation here to further inspect China's economic restructuring. Li expressed agreement on this point.

Also meeting with President Ramos today were Shi Dazhen, Chinese minister of the power industry, Wei Mingyi, chairman of the China International Trust and Investment Corporation, Zhou Guanwu, chairman of the Shougang (Capital Iron and Steel) General Corporation, and leaders of the Ministry of Machinery Industry, the China National Machinery and Equipment Import and Export Corporation and the China National Non-ferrous Metals Industry Corporation.

Ramos Comments on PRC Issues in News Conference

Emergence as 'Economic Power' Welcomed

HK2704102193 Hong Kong AFP in English 0953 GMT
27 April 93

[Text] Beijing, April 27 (AFP)—Philippine President Fidel Ramos on Tuesday welcomed China's emergence as an economic power and said he had been assured by Chinese leaders that Beijing would not become a regional bully.

"We were given the assurance that China will not use her economic strength for the purpose of aggression or harassment and we are very appreciative of that statement," Ramos told a news conference at the end of his talks in the Chinese capital.

"The Philippine people and government are comfortable with the growth of China," he said. "The history of China, I think, is convincing enough.... She has never been an aggressor toward her neighbors in the direction of the Philippines."

Chinese President Jiang Zemin reaffirmed Beijing's willingness to "shelve" a territorial dispute over the Spratly Islands chain in the South China Sea and to participate in their joint development, Ramos added.

"President Jiang expressed China's determination to ensure that the South China Sea situation will not harm the relations between our two countries," Ramos said.

The Philippine leader said he had not discussed with Jiang regional fears of a Chinese military escalation in the Spratlys.

He said the Philippines, China and the other countries with claims—Brunei, Malaysia, Taiwan and Vietnam—were likely to agree to protect the area's environment before any development would take place.

China will participate in a meeting on marine research in the area next month in Manila, which will also be attended by other countries, Ramos announced.

The Spratlys are believed to be rich in petroleum resources and the Philippines has proposed to set up a scuba diving resort to attract tourism to the barren archipelago.

Ramos characterized his first state visit in China as "more successful than [words indistinct] because of what he said was a "camaraderie" between Chinese and Philippine officials and businessmen and a personal rapport with Jiang.

"President Jiang is quite proficient in English," Ramos said, waving his trademark cigar. "He and I both like the same old songs that were very popular during the so-called pre-World War II period."

The Philippine president, who was accompanied by 70 Philippine businessmen, headed to the industrial center of Shanghai on Tuesday and was scheduled to tour the prosperous southern province of Guangdong from Thursday before winding up a six-day visit.

In his talks with Jiang on Monday and with senior economic officials Tuesday, the Chinese Government said it would promote investment in and trade with the Philippines, Ramos said.

China was to increase imports of copper, mangoes, and bananas from the Philippines, he added.

Ramos said that a "major objective" in his trip was to learn about China's reforms and fast development, with the aim of taking lessons for the Philippines' ailing economy.

"We will be sending a top-level and high-powered delegation to China to look into these reforms in greater depth and detail," he said.

The two sides were also examining cooperation in countertrade in defense supplies and the possible joint production of military items, the president said without elaborating.

On Monday, China offered the Philippines a 25 million dollar credit to buy Chinese hydroelectric generating equipment.

Chinese Foreign Minister Qian Qichen and Philippine Foreign Secretary Roberto Romulo also signed an economic and technical cooperation agreement, a protocol on commodity trade and an agreement on tourism cooperation.

Supports Beijing Role in Asia-Pacific

OW2704111493 Beijing XINHUA in English 1054
GMT 27 Apr 93

[Text] Beijing, April 27 (XINHUA)—Visiting President Fidel V. Ramos said here today that the Philippines

wants to see China become a "stable and prosperous partner" of all countries in the Asia-Pacific region.

Ramos added that a stable and prosperous China would profit not only itself, but also the Philippines.

The president made the statement at a press conference here today, which Ramos held before his departure for Shanghai, on the east coast of China.

The president said his visit to China has been successful and worthwhile.

The visit has been "more successful than normal", Ramos said, and "we can also say that the visit we are making is worthwhile because it is really the first time that a Philippine head of state has gone on a diplomatic as well as a economic mission."

Ramos said he was "looking forward to equally successful visits in the next phase of the trip," which will take him to Shanghai and Guangzhou.

He said the delegation will visit some township and rural enterprises, which are potential models for economic development in the Philippines, as well as some high-tech institutes.

"I am confident that the visit will significantly advance the relations between the Philippines and China," the president said.

"We are particularly grateful to President Jiang Zemin for his support on Philippines' economic development program," Ramos added.

"We also appreciate the Chinese president's statement that the promotion of close and friendly relations with the Philippines is an unswerving policy of China," Ramos said.

Speaking on Philippine workers in Hong Kong, President Ramos said he had been assured that China will maintain the present economic system in Hong Kong after its return to Chinese sovereignty in 1997, and that present conditions of employment for Philippine and other foreign workers in Hong Kong will be maintained.

Singapore Prime Minister Concludes Shandong Visit

*OW2604150693 Beijing XINHUA in English 1441
GMT 26 Apr 93*

[Text] Weihai, Shandong Province, April 26 (XINHUA)—Singapore's Prime Minister, Goh Chok Tong, said here today that he was impressed by the investment environment in Shandong and he will encourage Singaporean businessmen to invest in the province.

During his visit here, the prime minister said he was interested in the investment policy of the province's Yantai Economic and Technological Development

Zone. Goh also suggested that Shandong and Singapore establish a joint economic council to help promote long-term cooperation.

Goh said he hoped that China and Singapore will forge closer economic links.

Goh and his party arrived in Jinan, capital of Shandong Province, on April 22 after a three-day stay in Beijing. They also visited the cities of Taian, Qufu and Yantai.

The prime minister left here today for Shenzhen before winding up his official visit of China.

Leaves for Shenzhen 26 Apr

SK2704064593 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 26 Apr 93

[Text] Singapore's Prime Minister, Goh Chok Tong, successfully concluded his five-day friendly visit to our province. Accompanied by Liu Zhongde, chief of China's escort group and minister of culture, he left Shandong Province by special plane for the Shenzhen Special Economic Zone on the morning of 26 April.

During their stay in our province, Premier Goh Chok Tong and his entourage successively visited the cities of Jinan, Taian, Qufu, Yantai, and Weihai. They carried out on-the-spot investigations concerning the province's history and culture as well as its investment environment. They also earnestly explored the development of an extensive and friendly relationship between Singapore and Shandong Province and the fields concerned.

Zhao Zhihao, reelected governor of the province, hurried to Weihai from Jinan early yesterday by taking a special trip to hold a farewell talk with Premier Goh Chok Tong and to see the Singaporean guests off at the Laishan airport of Yantai city.

During their farewell talk, Premier Goh Chok Tong suggested that Singapore and Shandong establish a joint economic and trade council that should be regarded as a long-term institution of economic affairs, which can deal with the trade exchanges of both sides. Governor Zhao Zhihao accepted the suggestion with pleasure and told the reporter that the visit paid by Premier Gao Chok Tong had built a bridge of friendly contacts and overall cooperation between Singapore and Shandong and that the provincial people's government will dispatch its delegation as soon as possible to pay a visit to Singapore so as to exchange specific views on relevant issues and develop the friendship and cooperation established by both sides to a new stage.

Seeing the Singaporean honored guests off at the airport were leading comrades from the provincial level organs, including Wang Yuyan; responsible persons from the cities of Yantai and Weihai, including Du Shicheng, (Zhang Fafu), and Wu Longjiang; and (Xie Dianzhu), wife of Governor Zhao Zhihao.

Prince Sihanouk Arrives in Beijing

OW2704070793 Beijing XINHUA in English 0654
GMT 27 Apr 93

[Text] Beijing, April 27 (XINHUA)—Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council of Cambodia, arrived here today from Pyongyang, according to a spokesman from the Chinese Foreign Ministry.

Sihanouk and his wife, Princess Monique, flew here on a special plane furnished by the Democratic People's Republic of Korea.

Chinese Vice-Minister of Foreign Affairs Yang Fuchang was among those greeting Prince Sihanouk and his wife at the airport.

Qian Qichen Meets Thai Overseas Chinese Leaders

OW2704032793 Beijing XINHUA Domestic Service in Chinese 1630 GMT 20 Apr 93

[By reporters Li Quotian (2621 0948 3944) and Qi Deliang (2058 1795 5328)]

[Text] Bangkok, 20 Apr (XINHUA)—During his meeting here today with the leaders of a dozen or so local Chinese mass organizations, Qian Qichen, Chinese state councillor and foreign minister, said he hoped that they would work hard to develop friendly relations, and economic ties in particular, between China and Thailand.

Qian Qichen said: Both China and Thailand are satisfied with the development of their relations. The fact that Thailand is enjoying fairly rapid economic growth and that China is engaging in the reforms and opening up are a basis for maintaining and developing Sino-Thai friendly relations. The facts also represent a good opportunity for developing economic and scientific and technological exchanges between the two countries.

While talking about the issues of Hong Kong and Taiwan, he said: After Hong Kong returns to the motherland, its international economic status, social system, and economic laws will remain unchanged. Despite the fact that some problems are cropping up during the process of Hong Kong's return, they can be solved through talks between China and Britain. China has not changed its policy toward the peaceful reunification of the two sides of the Taiwan Strait. Taiwan can maintain its system (zhi du 0455 1653) and economic pattern (fang shi 2455 1709), but it should not engage in independence and separation.

On behalf of the local Chinese communities, Zheng Wulou, chairman of the United Disaster Relief Organization of Overseas Chinese in Thailand and honorary chairman of the Chinese Chamber of Commerce, said: As overseas Chinese, we are very happy to see that

Thailand and China enjoy close relations. We hope that Sino-Thai economic cooperation and mutual investment will increase continuously.

Western Samoan Parliamentarians Continue Visit

Meet Qiao Shi

OW2504140593 Beijing XINHUA in English 1317
GMT 25 Apr 93

[Text] Beijing, April 25 (XINHUA)—Qiao Shi, chairman of the Standing Committee of China's National People's Congress (NPC), met here today with Afamasaga Fatu Vaili, speaker of the Legislative Assembly of Western Samoa, and his party.

China and Western Samoa are both developing countries and there is a solid foundation for the development of friendly ties between the two nations, Qiao said.

Qiao expressed the hope that friendly relations between the two countries, the two peoples and the two parliaments would be deepened. Increased contacts between the two states will enhance bilateral ties, Qiao said.

Vaili expressed his appreciation for China's aid to Western Samoa and wished China success in its bid to host the Olympics in the year 2000.

Vaili and his party are visiting China at the invitation of the NPC's Standing Committee.

Talk With Rong Yiren

OW2704034793 Beijing XINHUA in English 0326
GMT 27 Apr 93

[Text] Beijing, April 27 (XINHUA)—Chinese Vice-President Rong Yiren met with Afamasaga Fatu Vaili, speaker of the Legislative Assembly of Western Samoa, and his party here today.

Rong expressed satisfaction over the smooth development of bilateral ties since the two countries established diplomatic relations in 1975.

Rong said both China and Western Samoa are developing countries and many common points link them closely. He added that exchanges of visits between the leaders and others of the two countries have helped enhance mutual understanding.

China holds that all countries—big or small, strong or weak, rich or poor—are equal members of the international community and should work in international affairs equally on the basis of the five principles of peaceful coexistence, Rong said.

Afamasaga said he was pleased to have the opportunity to visit China and get to know China's economic development. He said the visit will add to the development of the existing friendly relations between the South Pacific island country and China.

He also noted that various countries, though differing in national conditions, can establish fruitful and effective relations on the basis of the five principles of peaceful coexistence and through joint efforts.

Wu Jieping, vice-chairman of China's National People's Congress (NPC) Standing Committee, was present at the meeting.

Afamasaga and his party are here as guests of the NPC Standing Committee.

Near East & South Asia

Iran Interested in Chinese Steel Treatment

*OW2404065193 Beijing XINHUA in English 0634
GMT 24 Apr 93*

[Text] Changchun, April 24 (XINHUA)—China has built its first cold-rolling thin plate pretreatment line to greatly extend the service lives of steel structures.

The line, designed and manufactured by the Jilin Polytechnical University and of advanced international level, has been put into use in the Changchun railway car plant in the northeast.

The 200-m-long line puts plates one to three mm thick through four procedures before they are cold-rolled. Railway cars using cold-rolled plates pretreated by the line will have their service lives doubled from six years to 12 years.

The Changchun railway car plant is the largest of its kind in the country.

Experts said the pretreatment line has laid a foundation for China to produce a new generation of railway cars.

Meanwhile, the pretreatment line has caught the interest of the Iranian Railways Ministry, which has signed a letter of intent with the Changchun railway car plant for producing subway cars for Iran.

Beijing Marks Israeli Independence Day

*OW2604075493 Beijing XINHUA in English 0639
GMT 26 Apr 93*

[Text] Beijing, April 26 (XINHUA)—Israeli ambassador to China E. Ze'ev Sufot hosted a reception here today to mark the 45th anniversary of the Israeli independence day.

Chinese Minister of Railways Han Zhubin attended the reception held at the Sheraton Great Wall Hotel.

NPC Official Meets Kuwaiti Workers Delegation

*OW2404130093 Beijing XINHUA in English 1223
GMT 24 Apr 93*

[Text] Beijing, April 24 (XINHUA)—Ni Zhifu, vice-chairman of China's National People's Congress (NPC)

Standing Committee and president of the All-China Federation of Trade Unions, met with a delegation from the General Confederation of Kuwaiti Workers here this afternoon.

The delegation, headed by Naser Haizal Ateby [spelling of name as received], vice-chairman of the confederation, arrived here April 20.

Lebanon's Buwayz Discusses Mideast Peace Talks

*OW2304194893 Beijing XINHUA in English 1929
GMT 23 Apr 93*

[By Zhao Zhuxiu]

[Text] Beirut, April 23 (XINHUA)—The Arab decision to participate in the ninth round of Mideast peace talks has further strengthened Arab unity and helped forge a common stand, Lebanon's Foreign Minister Faris Buwayz told XINHUA today.

The foreign ministers of Syria, Jordan, Lebanon and Palestine agreed at a meeting in Damascus Wednesday [21 April] to participate in the the peace talks to be resumed on April 27 in Washington after a several-month suspension.

The Lebanese foreign minister said that the Damascus coordination meeting was "an exceptional one," and the delicate situation rendered it hard to make the decision to resume the talks.

"This is because the next round of negotiations is to take place in the wake of the reshuffle of both the Israeli and U.S. Governments, and Israel's deportation of Palestinians and its suppressive measures in the occupied territories and southern Lebanon. Hence, there were divergent views on the common Arab stand which should be forged," he said.

"We favor the positive aspects against other considerations," he added.

He said, "The one-week delay of the ninth round of peace talks has made it possible to hold consultations and gave way to several plans, including one by president Husni Mubarak of Egypt and another by Syrian President Hafiz al-Asad."

The talks had been scheduled for April 20 but were postponed at the request of the Palestinians, who insisted obstacles still were on the way.

Buwayz said the delay had also made it possible to have intensive consultations with the U.S. side for overcoming a number of obstacles and giving the U.S. more time to explain certain matters.

"We have received assurances on the issue of the deportees expelled by Israel, the policy of deportation, and Israel's intentions on the peace talks," he said without elaboration.

The talks have been stalled since Israel deported more than 400 Palestinians to south Lebanon in December.

Buwayz affirmed that the decision to take part in the ninth round of the peace talks "has totally foiled Israel's attempt to have separate settlements with some parties involved in the conflict."

"The Arab decision is so clear and credible that it can put Israel's intentions to test," Buwayz added.

In reply to a question on how he envisaged the outcome of the ninth round of the peace talks, he said that it was very hard to predict, but said, "there is no doubt that conditions are favorable for achieving just and overall peace in the Middle East."

He affirmed that making peace in the Middle East was in the interest of every party.

Lebanese Foreign Minister Meets Press After China Visit

OW2404013993 Beijing XINHUA Domestic Service in Chinese 0348 GMT 16 Apr 93

[By reporter Zhao Zhuxiu (6392 4554 0208)]

[Text] Beirut, 15 Apr (XINHUA)—Lebanese Foreign Minister Buwayz said here today that China's economic revolution and its policy of opening up to the world had resulted in tremendous changes in the country.

Buwayz made these remarks when he met the press this afternoon at the airport in Beirut upon his return from China.

Buwayz said during his stay in China he witnessed the country's tremendous achievements and progress in economic construction, adding that China is playing a vital role in both the political and economic arenas in Asia.

Buwayz said he held talks with Chinese leaders on strengthening the economic relations between Lebanon and China as well as on international political issues. He said: China is a member of the UN Security Council and an old friend of the Arab people. China's stand of supporting the Arab people is firm and unshakable.

Hu Jintao Meets Nepalese Communist Party Group

OW2604140493 Beijing XINHUA in English 1348 GMT 26 Apr 93

[Text] April 26 (XINHUA)—Hu Jintao, a Standing Committee member of the Political Bureau of the Central Committee of the Communist Party of China (CPC), met here today with a delegation from the Nepalese Communist Party (Unified Marxist-Leninist, UML).

The delegation is led by Madan Kumar Bhandari, general secretary of the Nepalese Communist Party.

Hu, who met some of nepalese when he worked in Tibet, said China and Nepal are friendly neighbors and the two peoples have maintained friendly exchanges through history. He said that bilateral ties have developed smoothly since the founding of the people's republic in 1949.

"We are willing to make joint efforts with Nepal and the Nepalese Communist Party UML to strengthen such relations," Hu said.

He briefed the visitors on the developments of China's reform and opening policy and the development plan adopted by the 14th CPC Party Congress last October.

Reiterating China's principled stand on the Tibetan issue, Hu expressed appreciation to the Nepalese Government and the Nepalese Communist Party for their support of China's position.

Bhandari said he was here to broaden his knowledge about various aspects of China. He noted the economic development and the improvement of living standards brought about by the reform and open policy, adding that the rapid economic development of Tibet was "a good example" of the success of China's socialist constructions.

He wished the CPC and the Chinese people success in building socialism with Chinese characteristics.

Li Shuzheng, head of the International Liaison Department of the CPC Central Committee, was present at the meeting.

The Nepalese delegation arrived in China on April 17. Before coming to Beijing, they visited Chengdu and Shantou. They are also scheduled to visit Tibet.

China Wins Water Conservancy Project in Pakistan

OW2504135593 Beijing XINHUA in English 1251 GMT 25 Apr 93

[Text] Nanning, April 25 (XINHUA)—China has contracted the construction of water conservancy projects in Pakistan worth 108 million U.S. dollars.

These are part of a package of projects worth 600 million U.S. dollars from the Asian Development Bank to build a water conservancy network on the western bank of the Indus River. The projects are also funded by the United States, Britain, Saudi Arabia and Japan.

One of the contracts China is undertaking is valued at 33 million U.S. dollars.

The construction projects will be undertaken by the Guangxi International Economic and Technology Cooperation Company of the Guangxi Zhuang Autonomous Region. It won the contracts in open bidding against big engineering companies from the Netherlands, Canada and Australia.

Sub-Saharan Africa**Burkina Faso Foreign Minister Continues Visit****Meets Qian Qichen**

*OW2304133293 Beijing XINHUA in English 1255
GMT 23 Apr 93*

[Text] Beijing, April 23 (XINHUA)—Chinese Vice Premier and Foreign Minister Qian Qichen said here today that China hopes that the African countries will achieve stability and economic development through their own efforts.

Qian made the remark here this afternoon in talks with Thomas Sanon, minister of external relations of Burkina Faso.

According to officials concerned, Qian said that China understands the difficulties the African countries face and supports their efforts to realize economic integration in Africa.

Qian reiterated that China respects the ideologies, political systems and modes of development chosen by African countries in light of their local conditions, history, culture and traditions.

On relations between China and Burkina Faso, Qian said that these relations have been developing smoothly since their establishment of diplomatic ties some 20 years ago. He added that Sino-Burkina Faso relations are characterised by mutual respect, mutual support, equality and mutual benefit.

Qian expressed appreciation for the efforts made by the Burkina Faso Government and people, led by President Blaise Compaore, in seeking a path to development suited to their country's conditions, and for its political stability and economic growth.

Sanon said that China is a long-trusted friend of Burkina Faso, and his country is confident of its friendship with China.

He noted that his visit is aimed at promoting the friendly ties of co-operation between the two countries.

After the meeting Qian hosted a banquet for Sanon and his party.

Talks With Li Peng

*OW2404164493 Beijing XINHUA in English 1328
GMT 24 Apr 93*

[Text] Beijing, April 24 (XINHUA)—Chinese Premier Li Peng said here today that China cherishes its traditional ties with Burkina Faso and is willing to further enhance these ties.

He made the remark this afternoon in a meeting with Thomas Sanon, minister of external relations of Burkina Faso.

During the meeting, Li Peng extended a warm welcome to Sanon, who came here for the first time in the capacity of foreign minister.

He noted that the visit to China by Burkina Faso President Blaise Compaore four years ago greatly spurred the development of bilateral relations and he was satisfied with the smooth development of the bilateral ties since the two countries established diplomatic ties some 20 years ago.

The Chinese premier expressed his appreciation for the Burkina Faso Government's policy of one China and eschewing of official ties with Taiwan.

He also expressed his admiration for the achievements of the Burkina Faso Government and people, led by President Compaore, in national unity and reconciliation and development of the national economy.

China attaches importance to its ties with African countries and hopes that these countries will realize political stability, economic development and a sustained rising of the people's living standards, he said.

Sanon said that he came here mainly to express Burkina Faso's kind feelings for China. He expressed his appreciation for China's progress in both reform and opening up.

Sees Vice Trade Minister

*OW2404113993 Beijing XINHUA in English 0832
GMT 24 Apr 93*

[Text] Beijing, April 24 (XINHUA)—Shi Guangsheng, assistant Chinese minister of foreign trade and economic co-operation, held talks with Thomas Sanon, minister of external relations of Burkina Faso, here this afternoon.

The two sides exchanged views on bilateral trade and economic relations, new ways of cooperations between the two countries and other issues of common interests.

Congolese Foreign Minister Arrives in Beijing

*OW2504064793 Beijing XINHUA in English 0623
GMT 25 Apr 93*

[Text] Beijing, April 25 (XINHUA)—Benjamin Bunkulu, minister of foreign affairs and cooperation of the Congo, and his party arrived here today on a five-day friendly working visit to China at the invitation of Chinese Vice-Premier and Foreign Minister Qian Qichen.

They were greeted at the airport by Chinese Assistant Foreign Minister Wang Changyi.

Confers With Qian Qichen

OW2604192293 Beijing XINHUA in English 1507
GMT 26 Apr 93

[Text] Beijing, April 26 (XINHUA)—Chinese Vice Premier and Foreign Minister Qian Qichen held talks with visiting Congolese Foreign Minister Benjamin Bunkulu here this afternoon.

Qian said the Chinese Government has long paid great attention to African states and is ready to strengthen its friendly relations and cooperation.

Qian said that China respects the African peoples' choice of political development in accordance with their own domestic situations. It supports African efforts in striving for stability, development and the principle of self-dependence.

Qian said China and Congo have a tradition of friendship. Although the international and domestic situations in China and Congo have undergone great changes, bilateral friendly relations and cooperation continue to consolidate and develop.

Bunkulu praised Sino-Congolese cooperation and China's aid to Congo. He said the Congolese Government and people are satisfied with the development of Sino-Congolese friendly relations of cooperation.

He said that the changes that Congo has undergone will not hinder the Sino-Congolese friendly relations which have a long history.

Both sides exchanged opinions on situations in Africa and other issues of common interest.

After the meeting, Qian hosted a banquet in honor of Bunkulu.

Tong Zhiguang, vice minister of foreign trade and economic cooperation, held talks with Bunkulu in the morning. Both sides also exchanged notes covering China's aid to the Congolese Government.

Meets Rong Yiren

OW2604111193 Beijing XINHUA in English 1010
GMT 26 Apr 93

[Text] Beijing, April 26 (XINHUA)—Chinese Vice-President Rong Yiren met here today with Benjamin Bunkulu, minister of foreign affairs and cooperation of the Congo.

Rong was quoted by a Chinese Foreign Ministry official as saying that the Chinese Government and people value their traditional friendship with the Congo and are ready to make joint efforts with the Congolese Government and people to seek new means, new forms and new areas of cooperation.

Rong said the Congo is one of the first African countries to establish diplomatic relations with China. He added that China is happy with the smooth development of

bilateral ties since the two countries set up diplomatic relations nearly 30 years ago.

Rong noted that Sino-Congolese friendship will not be disturbed by changes in the international situation.

Rong also expressed China's appreciation of the Congo's efforts for seeking a political system and road of development in accordance with its own conditions, as well as for pursuing a peaceful, neutral and friendly foreign policy.

Rong also briefed the visitors on the developments in China's reform and open drive.

Bunkulu, who arrived here Sunday [25 April] on a five-day working visit, said that the Congo is proud of having been one of the earliest countries to establish diplomatic ties with China.

Bunkulu added that the Congolese people are grateful to China for its assistance and are happy with Sino-Congolese cooperation that has existed for nearly three decades.

NPC Vice Chairman Meets Mauritian Guests

OW2304044393 Beijing XINHUA in English 0342
GMT 23 Apr 93

[Text] Beijing, April 23 (XINHUA)—Wang Guangying, vice-chairman of China's National People's Congress (NPC) Standing Committee, had a friendly conversation with a delegation from the Mauritius-China Friendship and Cultural Association headed by its President Kee Chong Li Kwong Wing [name as received].

The visitors arrived here April 20 as guests of the Chinese People's Association for Friendship With Foreign Countries. They are also scheduled to visit Shanghai, Changsha and Shenzhen.

Beijing To Build 216 Apartments for Mauritius

OW2204131693 Beijing XINHUA in English 1259
GMT 22 Apr 93

[Text] Antananarivo, April 22 (XINHUA)—China will build 216 apartments for Mauritius in another aid project for the Indian Ocean island nation.

A report from Port-Louis, the chief town of Mauritius, said the aid agreement was signed on Thursday [22 April] by Jaya Cuttaree, the Mauritius minister of housing, and Yang Yihuai, the Chinese ambassador to the country.

China has already built an international airport and a multifunctional grand stadium for Mauritius since the two countries established diplomatic relations 21 years ago.

Party Sends Condolences on Tambo's Death

*OW2604114693 Beijing XINHUA in English 1019
GMT 26 Apr 93*

[Text] Beijing, April 26 (XINHUA)—The International Liaison Department of the Communist Party of China (CPC) today sent a message of condolences to the African National Congress (ANC), over the passing away of ANC National Chairman Oliver Tambo.

The message, sent to the National Executive Committee of ANC, extends deep condolences and cordial sympathy to ANC and Tambo's family.

It says, Tambo, one of the outstanding leaders of ANC, had devoted all his life to fighting against racial oppression and discrimination and struggling for democracy and freedom of the Africans.

Tambo, who had experienced all kinds of hardships, enjoyed profound love of the African people, it stresses.

"The ANC has lost a renowned leader, and the Chinese people a familiar old friend," the message says.

It believes that "our comrades-in-arms in ANC will make all efforts to carry out Chairman Tambo's behests and, together with other political organizations, strengthen the unity of the broad masses of the people and continue to struggle for accelerating the peace process in South Africa and the early establishment of a free, democratic and non-racial new South Africa."

West Europe**Vice Premier Li Lanqing Meets Belgian Visitors**

*OW2704092293 Beijing XINHUA in English 0904
GMT 27 Apr 93*

[Text] Beijing, April 27 (XINHUA)—Chinese Vice-Premier Li Lanqing met here this afternoon with Charles Pique, chief minister of Brussels, Belgium, and his party at the Great Hall of the People.

The Belgians are here as guests of the Beijing Municipal Government.

Mayor Li Qiyan of Beijing city attended the meeting.

Li Lanqing Talks With Italian Entrepreneurs

*OW2604112193 Beijing XINHUA in English 1015
GMT 26 Apr 93*

[Text] Beijing, April 26 (XINHUA)—Chinese Vice-Premier Li Lanqing met here today with a delegation from the General Confederation of Italian Industrialists, which is headed by Luigi Abete.

Li told the 28-member delegation that trade between China and Italy has grown rapidly in recent years and that Italy was ranked China's second largest European trade partner last year. Li expressed the hope that the

two countries will broaden their scope of cooperation. He discussed matters related to further expanding cooperation between small and medium enterprises of the two countries.

Abete replied that it was in the interests of both sides to develop such cooperation.

Present at today's meeting were Zheng Hongye, chairman of the China Council for the Promotion of International Trade, and Italian Ambassador to China Oliviero Rossi.

Databank Available on French Computer Network

OW2404045993 Beijing XINHUA Domestic Service in Chinese 0804 GMT 15 Apr 93

[Text] Paris, 14 Apr (XINHUA)—The French version of the Chinese information databank, compiled and edited by China's XINHUA NEWS AGENCY, has entered France's microcomputer information network "(Minitaier)" and was officially put into operation on 14 April.

This was announced by (Dominik Laisbinas), responsible person of the European Long-Distance Information Processing Engineering Corporation of France, at a news conference in Paris on the evening of 14 April.

XINHUA began compiling and editing the Chinese information databank for the "(Minitaier)" information network after signing an agreement with this corporation in October 1992.

"(Minitaier)" is a French transliteration for "microcomputer information network." It was created in 1982. At present, it has more than 8 million subscribers, over 6 million of whom directly use terminal interface processors provided by the corporation, and more than 2 million of which have their own computer links with "(Minitaier)," which has become a large, powerful information network by using the telephone lines of the Telecommunications Bureau of France. Linked to subscribers' telephones, the network can respond to the telephone numbers dialed by subscribers and provide them with more than 10,000 types of consultation services, ranging from daily life to trade, administrative affairs, and banking affairs, through the use of words, data, graphs, and other forms from its terminal interface processors.

The databank compiled and edited by XINHUA includes two parts, "The General Situation in China" and "China's Economy." The part on "The General Situation in China" gives a detailed basic introduction of China's geography, history, politics, culture, foreign affairs, and military affairs. The section on the economy mainly introduces the rapid developments in various economic sectors in China since the introduction of the reform and opening policy. This part also has a special section, "China's Enterprises," which introduces China's large, medium-sized, and small enterprises in order to facilitate the establishment of direct business links

between Chinese and French enterprises. The databank also has a "News Column." To provide the press circle of France and ordinary French residents with an opportunity to check information, XINHUA will input 10 to 15 items of selected important news daily into the databank for "(Minitaier.)"

China Seeks Expanded Trade With Luxembourg

*HK2704053893 Beijing CHINA DAILY in English
27 Apr 93 p 1*

[By staff reporter Wang Yong: "China Seeks To Expand Its Links With Belgium (country as published)"]

[Text] A Chinese government delegation is expected to visit Luxembourg on Friday following a bilateral trade meeting that ends in Brussels today.

The two-day meeting highlights specific opportunities where the two nations will further trade and investment co-operation.

A senior Chinese trade official says bilateral trade has rebounded in the past few years, although there is still a long way to go before duplicating the record high of \$95 million in 1978.

Bilateral trade volume last year saw a 63.3 percent increase over that of 1991, the official says.

He predicts that trade between the two countries will continue to surge this year.

Gu Yongjiang, Vice-Minister of foreign trade and economic co-operation, says the two countries have cooperated well in the steel industry since 1972 when diplomatic relations were forged.

An official from a major Chinese steel trading company says that China will increase steel imports from Western Europe, including Luxembourg.

Last year, a Chinese purchasing mission bought a considerable sum of steel from Luxembourg.

Senior Chinese trade officials revealed that Luxembourg has much to offer China in revamping the technology of its steel factories.

Co-operation in environmental protection and hi-tech sectors will also gear up, the officials say.

Political & Social**50 Monks Reportedly Arrested at Lhasa Monastery**

OW2704043993 Tokyo KYODO in English 0359 GMT 27 Apr 93

[Text] Beijing, April 27 KYODO—As many as 50 Tibetan monks have been arrested this year at a remote mountain-top monastery some 50 kilometers southeast of Lhasa, according to foreign travelers who have visited the area.

Nine monks from Ganden monastery were detained last month for shouting pro-independence slogans to commemorate the anniversary of an abortive Tibetan uprising against Chinese rule in 1959, the travelers said. However, the names of the monks arrested were not available making it hard to verify the exact number of detainees.

Foreigners who have visited Ganden this month say a 15-man police sub-station is located there to keep a close eye on the monastery's estimated 400 monks.

Perched in a natural amphitheater some 4,300 meters above sea level, Ganden has a long history of political activism dating back even before China annexed Tibet in 1951.

Bombarded by the Chinese military in 1959 and virtually Red Guards [as received] during the Cultural Revolution several years later, Ganden is currently being restored and has been opened to foreign tourists.

But Tibetans living there have been warned they risk arrest if they so much as talk to foreigners and to turn a blind eye if more monks are detained, tourists say.

According to previous reports, at least 25 pro-independence protestors were detained in Lhasa last month and this number would appear to include the nine from Ganden.

Hebei Bishop Liu Difen Dies; Torture Suspected

HK2704111593 Hong Kong PAIHSING HSINWEN CHOUKAN in Chinese No 4, 23-29 Apr 93 p 21

[“Special article” by staff reporter: “Hebei Bishop Liu Difen (0491 2769 5358), Imprisoned for Two Years, Is Dead, and Bruises Were Found on His Body”]

[Text] Information from Hebei says: When the CPC was crushing mainland churches loyal to the Vatican (labeled as underground churches by the mainland authorities) on a massive scale in December 1990, Liu Difen, the bishop of Anguo Diocese in Hebei Province, was secretly taken away and kept under custody for two years. He died in custody toward the end of last year. The reports indicate that Liu Difen was tortured in prison.

A Suggestion by the Bishop's Relatives Has Been Rejected

According to the reliable source, toward the end of last year, the Hebei Bureau of Religious Affairs [BRA] sent personnel to Liu Difen's home to inform his family that Liu was seriously ill and wished to recuperate at home. Upon hearing that, Liu's family suggested coming to pick up the bishop by car, but the BRA personnel said that would not be necessary, as they would send him home.

About 10 days later, BRA personnel told the bishop's family that they would send him home at 1700 that day. Later, however, they informed the family that the bishop was in critical condition and called them to a hospital in Hebei's northernmost mountainous area. When the family arrived, the bishop was in a complete coma, and a pharyngeal tube was in his nose.

Seeing this, the bishop's family requested immediate action be taken to send him home, but the hospital refused to supply them with oxygen. Out of humanitarian concern, one of the doctors asked the hospital's party secretary for permission to give him oxygen, only to be refused.

Finally, the family had to call a taxi and bring a doctor and oxygen to the hospital from hundreds of kilometers away. When they arrived, however, the bishop's body was already cold.

Bruises Found on Bishop's Body

The source said that, when the family removed the bishop's clothes to wrap him in a cerecloth, they found scars all over his body. Two open wounds were found in the middle of his back, one above the other. The smaller one was approximately 10 mm in diameter and the larger was approximately 30 mm. The upper part of his left arm, particularly the outer side, was marked with a cluster of linear scabs. The nursing staff said that, when the bishop arrived in the hospital, he had many blisters on his body, which scabbed over after the fluid was drawn off. There were also two open wounds under his left arm; the larger one was about 20 mm in diameter and the smaller about 10 mm.

The family called the BRA to account for this matter. The BRA only said that the bishop had suffered from hypertension and brain hemorrhaging. The family emphasized, however, that the bishop did not have hypertension before he was arrested and that he must have been tortured before he fell ill and died.

The Bishop Was Arrested Several Times

The source also pointed out that, after Bishop Liu died, the government monitored the funeral arrangements and barred “underground” bishops, priests, and congregation members from participating.

Bishop Liu Difen died at the age of 80. He was born in Biandukou Village, Qixian County, Hebei Province and entered Beijing Monastery in 1932. He was arrested

in 1951 for refusing to join a CPC-recognized church and was sent back to Hebei to suffer cruel tortures during the Cultural Revolution.

In 1988, Liu Difen was promoted as bishop of Anguo Diocese and was arrested in a CPC religious persecution campaign in 1990, after which his whereabouts were unknown. Other clergy members arrested in the same campaign included Bishop Chen Jianzhang [7115 1696 4545] of Baoding Diocese of Hebei Province and Bishops Liu Shuhe [0491 2579 0735] and Shuai Enxiang [1596 1869 4382] of Yixian Diocese.

'Heavy Cold' Hospitalizes Li Peng

HK2704032293 Hong Kong MING PAO in Chinese
27 Apr 93 p 2

[Text] Chinese State Council Premier Li Peng is suffering from a heavy cold and has been hospitalized. As a result, his scheduled meeting with visiting Philippine President Ramos was canceled and his visit to some former Soviet republics and Mongolia was postponed.

Severino, vice foreign minister of the Philippines, who is visiting Beijing with the Ramos entourage, said they were not informed of Li Peng's illness until the scheduled meeting between Ramos and Li Peng on Monday morning was due to begin. He said: We were told Li Peng had been hospitalized, but we had no idea when it happened or what he was suffering from.

He said: "For protocol considerations, we were not supposed to ask too many questions."

The news of Li Peng's illness gave rise to speculation in various quarters for a time. Some media even claimed that he had contracted pneumonia.

However, an informed source in Beijing told MING PAO that Li Peng is suffering from a heavy cold with a high fever and is now recuperating in the hospital.

The source said: The weather in Beijing at the moment is not very good. Though the maximum temperature in the daytime can reach 24 degrees Celsius, the wind is very strong and influenza is rampant.

The source also said: Due to bad weather, the reception for Philippine President Ramos' visit had to be moved inside the Great Hall of the People.

Foreign Ministry spokesman Wu Jianmin also confirmed that Li Peng is suffering from a heavy cold. He said: "There is no grounds for all this speculations, because Li Peng is only suffering from a heavy cold, which is an ordinary thing."

The Foreign Ministry, via the official XINHUA NEWS AGENCY, also published a short statement which reads: "Premier Li Peng, suffering from a cold, will postpone his official visit to Kazakhstan, Kyrgyzstan, Turkmenistan, Uzbekistan, and Mongolia, originally scheduled for the period between 28 April and 9 May."

It has been learned that Li Peng's last public appearance was when he met with visiting Singaporean Prime Minister Goh Chok Tong for a round of "tennis diplomacy" on 20 April. He looked quite well then.

In another development, Deng Xiaoping's daughter Deng Nan said that Deng Xiaoping is now in very good health and is paying close attention to the Hong Kong issue. He still plans to visit Hong Kong after 1997.

When attending a public occasion in Beijing, Deng Nan was asked by reporters about the condition of her father Deng Xiaoping's present health. She said three times that Deng Xiaoping is in very good health.

When asked whether Deng Xiaoping is paying the same degree of attention to the current Sino-British talks on the Hong Kong issue as he did during the 1982 Sino-British talks on the future of Hong Kong, Deng Nan declined to give a direct answer, only saying that Deng Xiaoping is paying close attention to the Hong Kong issue.

When asked whether or not Deng Xiaoping has plans to visit places outside Beijing, she said that her father is capable of planning a long journey at any time.

Deng Nan also said that Deng Xiaoping's daily life at present still follows his usual routine. He not only maintains the habit of writing and does regular exercises, but he also plays bridge. The last time Deng Xiaoping showed his face was in Shanghai on the 1st of the first lunar month [23d January], when he spent the Spring Festival there.

'Cold' Forces Trip Postponement

OW2604121593 Beijing XINHUA in English 1200
GMT 26 Apr 93

[Text] Beijing, April 26 (XINHUA)—Chinese Premier Li Peng's official visit to Kazakhstan, Kyrgyzstan, Turkmenistan, Uzbekistan and Mongolia scheduled from April 28 to May 9 will be postponed because he has been catching cold, a Foreign Ministry spokesman announced here today.

Beijing Silent on Health

HK2704103893 Hong Kong AFP in English 1008 GMT
27 April 93

[Text] Beijing, April 27 (AFP)—Beijing was silent Tuesday on the condition of Chinese Prime Minister Li Peng, 65, who has cancelled all his official engagements this week for health reasons.

The government information service replied to all press queries by referring to a four-line statement carried by the official XINHUA News Agency, which said simply that Li "has a cold."

Newspapers in the Chinese capital reproduced the XINHUA story without comment. There was no confirmation of reports by the spokesman for visiting Philippine President Fidel Ramos that Li had been hospitalised.

Xinhua confirmed that it had earlier reported, without giving precise dates, that Li was to have started a 12-day tour of central Asia and Mongolia on Wednesday.

On Monday, Li cancelled a meeting with Ramos, who has been on a state visit to Beijing since Sunday.

At a press conference before his departure from Beijing Tuesday, Ramos refused to comment on the Chinese premier's condition.

"We really should not add any more to the condition of Premier Li Peng since we are not here as his doctors," Ramos said, adding: "But he has a cold, so let's leave him be so he can get well and recover and go back to his job."

Ramos' spokesman Rodolfo Reyes said Monday the Philippine delegation had been told that the Chinese head of government had fallen ill and been hospitalised.

Li was reinstated as prime minister for five years in March during the annual meeting of the National People's Congress.

New Education Minister on Education Reform

*HK2704053693 Beijing ZHONGGUO XINWEN SHE
in Chinese 0820 GMT 9 Apr 93*

[By staff reporter Liu Hongtao (0491 3163 3447)]

[Text] Beijing, 9 Apr (ZHONGGUO XINWEN SHE)—During an exclusive interview by this staff reporter with Zhu Kaixuan, the new, scholarly minister of the State Education Commission said: Educational reform must adapt to socialist market economy and must avoid short-sighted behavior.

People acquainted with Chinese national conditions will not deny that the post of State Education Commission Minister is very challenging. Zhu Kaixuan, about 60 years of age and having worked under the State Education Commission in charge of higher education for many years, and with thoughts on a series of fundamental questions regarding overall educational development, accepted the challenge the other day and has become the third minister of the State Education Commission of the PRC following Li Peng and Li Tieying.

Zhu Kaixuan said: Overcoming the numerous weaknesses nurtured in the conventional educational system, which was geared to the former planned economic pattern, is a formidable task. Therefore, educational reform must be quickened. Educational reform can use some practices in economic reform, especially professional education, including teaching content, methods, and curricula; the establishment of various disciplines or

departments; and the recruitment and employment systems. However, we must see to it that we observe the laws of education itself. It is necessary to properly handle the relationship between education and the economy, and education must serve economic construction, which is the center, and must aim at overall progress in society. Education must serve current construction in the first place and must aim at the future and must not produce short-sighted behavior.

The above is one of the three most immediate things that Zhu Kaixuan maintains must be done. The other two are: The government and all circles in society must increase injections into education and improve teachers' pay and conditions. Central and local governments must continue to make great efforts in nine-year compulsory education. Governments at all levels must adopt effective measures to overcome phenomena currently existing in elementary education such as dropouts and the arbitrary charging of fees.

The three things mentioned above are in fact Zhu Kaixuan's ideas for implementing the "Outline for China's Educational Reform and Development." They are, as Zhu Kaixuan said, one of the two very important tasks at the present time. The other task is to pay good attention to the organizational reform of central educational departments. When the new leading group of the State Education Commission is formed, it is necessary to readjust and simplify the administrative structure, change its functions, and improve its work efficiency.

Speaking on how he felt to be State Education Commission Minister, a post that draws much attention at home and abroad, Zhu Kaixuan said modestly: "I am excited and yet feel the contradiction. On the one hand, this is the people's confidence in me. Education is the hope for invigorating the nation. It is very difficult to improve educational work, and my capability and knowledge are limited. On the other hand, I lack mental preparedness and feel very great pressure." He said: "All I can do is to advance despite difficulties and work hard that I will not let the party and people down!" According to sources in the State Education Commission, Zhu Kaixuan favors seeking views from a wide range of people. Since entering office, he has talked to departmental and bureau heads every day to inquire about various situations and collect their views and suggestions.

Zhu Kaixuan was born in Shanghai Municipality's Jinshan County in November 1932. He joined the PLA Air Force in 1950. Two years later, he entered the Beijing Aeronautics Academy to study aircraft engineering and aircraft control. In the 20 years or more since graduation, he has worked as college tutor, lecturer, senior engineer, research office vice director, college department head, institute vice president, and institute party secretary. In 1985, he entered the newly founded State Education Commission.

He has conducted observations about the educational situations in over 20 countries and regions and has some

idea of various types of higher education, educational systems, and educational patterns around the world. He maintained that education is the foundation for long-term plans. Placing education in a strategic position for priority development is the wise choice for a country.

Zhu Kaixuan, who is called the "enlightened leader" in the State Education Commission, is also an "enlightened father." His wife was his classmate at the Beijing Aeronautics Academy and is now engaged in technical work. They have one son and one daughter. The daughter is a worker and the son a university student. People from the State Education Commission say that Zhu Kaixuan is honest and hard-working and always works until midnight.

Sitting in his high, roomy, and simple office in the Education Commission Building, Zhu Kaixuan spoke in a steady, clear, and quick-witted way. His smile made us feel that he is serious and yet affable. Here, Zhu Kaixuan, together with his colleagues, will usher in a new prospect for China's education.

Number of Science, Economic Leaks Criticized

OW2704114393 Shanghai WEN HUI BAO in Chinese
10 Apr 93 p 1

[Article by Lu Huan (7120 3562): "Is This a Crime?"]

[Text] For a long time we have attached great importance to cases that involve compromising political secrets; however, we have been indifferent to the problem of leaks in economic, scientific, and technological secrets, and, in fact, the problem is so serious that we must not remain indifferent to it. The problem has also worried insightful people in Overseas Chinese communities.

The author recently read an overseas report citing a number of examples that show many of China's scientific research results are part of the public domain, including reports on China's fine breeds of pigs, wheat, and soybeans, the fermentation of vitamin C, and the results of research on certain refined pollen. An example of the consequences follows:

After two major industrial nations learned about one of our scientific research achievements, their representatives came to China and argued excitedly with each other, fighting for obtaining it. Unexpectedly, they "buried the hatchet" one week later and cheerfully went home. It was because they got what they wanted after they bought a magazine for just a few dimes.

In addition, let us take a look at those "nice fellows" who are willing to share everything with others. There is one type of person who, by a strange mentality, treats all foreigners as buddies and does not hesitate to share secrets with them. It seems to them that only in this way can they display their boldness of vision and establish a "useful connection" for the country's opening up. There is another type of person who trades state secrets for

private gain. One man who took part in a research project accepted a foreign country's offer to pursue advanced studies there. He took all the research data with him abroad without any authorization and gave it to the host nation as repayment for the offer.

Evidently, the problem originates among ourselves. The first type of person simply does not know what self-reliance in international exchanges means, and he completely disregards national interests. The second type of person is simply a kind of ugly "family thief."

Should we ignore their behavior? The losses caused by them to the country and to the people are inestimable, much greater than the losses caused by dereliction of duty, embezzlement, and theft. Have they committed crimes? Should we do something about their wrongdoings? The answers to these questions should be yes. It is necessary to formulate clear and definite laws and regulations to fully protect the interests of the country and the people.

'Piece of the Motherland' Sales Campaign Begins

OW2604192093 Beijing XINHUA in English 1524
GMT 26 Apr 93

[Text] Beijing, April 26 (XINHUA)—Overseas Chinese are to be given the chance to buy a "piece of the motherland" under a promotion being pushed by several government ministries.

Thirty six areas nationwide have been chosen to build "homeland gardens of the Chinese nation," according to Liu Yi, head of the State Administration of Tourism.

Each garden will occupy an area of 6,600 square meters, equivalent to 9.6 million square inches which will symbolize the 9.6 million square kilometers of China's total land area.

The gardens will be sold to overseas Chinese in 9.6 million shares, said Liu. The price has yet to be set.

A land breaking ceremony was held here today for the main garden in Beijing's Changping County. It will include a tower patterned after the Chinese character "zhong", meaning center. On the tower will be inscribed the names of the owners of land.

According to Liu Yi, three of the gardens will be reserved for the compatriots from Taiwan, Hong Kong and Macao. Another three will be built near the mausoleum of Huangdi, the legendary Yellow Emperor, founder of the Chinese nation, in north China's Shaanxi Province.

The gardens are expected to be completed by the end of 1995.

Hu Jintao Discusses Rural Work in Jiangxi

OW2604151593 Beijing XINHUA Domestic Service in Chinese 0547 GMT 21 Apr 93

[By XINHUA reporter Liu Xiaoning (0491 1420 1337) and JIANGXI RIBAO reporter Deng Huiqing (6772 1920 3237)]

[Text] Nanchang, 21 Apr (XINHUA)—Hu Jintao, member of the CPC Central Committee Political Bureau Standing Committee and Central Committee Secretariat, inspected Jiangxi Province 13-20 April. He emphatically said: Issues concerning agriculture and peasants have a bearing on the overall national economy, social stability, and on whether the objectives of modernization can be attained. Party committees and governments at all levels should attach great importance to agricultural and rural work and truly carry out the principles and policies of the party Central Committee in every household.

Accompanied by Jiangxi Party Secretary Mao Zhiyong and Governor Wu Guanzheng, Hu Jintao visited counties and cities in Nanchang and Jian. He heard work reports delivered by local leaders; went right to rural areas, enterprises, and schools to conduct investigations and studies; visited peasant households; and called on old Red Army soldiers and comrades. He said: Jiangxi has achieved significant results in reform and construction over the past 14 years. The pace of reform, opening up, and modernization in the province was accelerated, particularly after Comrade Deng Xiaoping delivered his important speeches during his inspection trip to south China last year and after the 14th party national congress. Right now, people in Jiangxi share the same feelings and have the right thinking, and the province is developing rapidly, is showing great potential, and has good prospects. Hu Jintao pointed out: To seize opportune moments inside China and from other parts of the world throughout the nineties, and to quicken the pace of reform and construction—these are the important strategic thoughts of Comrade Deng Xiaoping. They are major policies and principles that affect and guide the overall situation, and they should be unwaveringly observed in all our tasks. We are facing scarce opportunities for development. Do not let opportunities slip by, for they will not wait for us. We will gain the initiative to liberate and develop productive forces if we succeed in seizing opportunities. If we fail, we will lag farther behind economically developed countries and will be put in a passive position for a long time. He encouraged party organs at all levels in Jiangxi, cadres, and masses to seize, treasure, and utilize opportunities under the leadership of the party Central Committee with Comrade Jiang Zemin at its core, and push forward reform, opening up, and modernization in Jiangxi.

Hu Jintao specifically conducted a survey to learn about the progress that has been made in implementing agricultural and rural policies, and he pointed out that the key issue now is implementation. He said: The most

important prerequisite for ensuring that policies are implemented is to acquire a correct ideology and gain an understanding of policies. As long as we truly understand the importance of issues concerning agriculture, rural areas, and peasants, we will be able to actively take the initiative and exhaust all means to create conditions for us to overcome the difficulties we come across. He affirmed relevant methods suggested by Jiangxi and asked leading cadres at all levels to go down to the grass-roots level and help implement relevant policies in areas that have relatively poor conditions and a lot of problems, as well as areas that receive a lot of complaints from the masses.

During his inspection tour, Hu Jintao paid respects to the historical sites of China's revolution in Nanchang and Jinggangshan. He stressed: A country and a nation should invariably have some spirit. As Comrade Jiang Zemin has pointed out: "Our nation is still in the difficult pioneering stage of socialist modernization. The great practice of pioneering requires a great pioneering spirit for support and encouragement." Hu Jintao said: The Jinggangshan spirit cultivated by proletarian revolutionaries of the older generation and numerous heroes and martyrs with their blood and lives in the long period of revolutionary struggle is our valuable spiritual wealth and a superior political asset. The Chinese Revolution could not have won without the Jinggangshan spirit. Likewise, we must carry forward this spirit in implementing the policy of reform and opening up and in building socialism with Chinese characteristics. In the new historical conditions, we must carry forward the Jinggangshan spirit, particularly the spirit of seeking truth from facts and blazing new trails; the dauntless spirit of continuing to fight in spite of all setbacks; and the spirit of plain living, hard work, and complete dedication. Hu Jintao pointed out: We must integrate the fine revolutionary traditions with the new styles of our times and melt them into the spirit of the nation and of the times. We must transform them into a prevailing spirit for all of society and into a cohesive force to advance reform, opening up, and modernization rapidly and with good results.

Speaking of party building, Hu Jintao stressed: The faster the pace of reform and construction and the wider we open ourselves up to the outside world, the more we need to pay attention to strengthening party building and bringing into play the roles of our party organizations and the vast number of party members. With the completion of the election and the organization of new leading bodies, we must place special emphasis on their ideological and work style construction. We must use Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics to arm our minds, enhance our consciousness and firmness in implement the party's basic line, and raise our leadership standards, particularly regarding economic work and the work of "grasping two links at the same time [namely, pursue the process of reform and opening up and at the same time fight crime; develop the economy and at the same time strengthen

democracy and the legal system; and achieve material progress and at the same time foster spiritual civilization]." We must uphold and perfect democratic centralism and enhance unity in leading bodies at all levels. We must strengthen our sense of discipline and prevent and overcome the phenomena of people disobeying orders and going their own ways without regard to the law and discipline. We must earnestly resolve the prominent issues affecting relations between cadres and the masses and take further steps to forge closer ties between the party and the people.

Zhu Rongji Gives Instruction on Railway Work

HK2704025593 Beijing XINHUA Domestic Service in Chinese 0819 GMT 23 Apr 93

[By HUNAN RIBAO reporter Tian Yusheng (3944 3768 3932) and XINHUA reporter Zou Yun (6760 0061)]

[Text] Changsha, 23 Apr (XINHUA)—On 18 April, at the discussion meeting on the construction of the Beijing-Jiujiang Railway, Zhu Rongji, member of the CPC Central Committee Political Bureau Standing Committee and vice premier of the State Council, pointed out: First, solid efforts must be made to quicken railway construction and complete the project of laying the whole railway line between Beijing and Jiujiang in 1995, thus gradually overcoming the "bottlenecks" in railway transportation. Second, it is necessary to straighten out the style of work in the railway department, tap the transport potential, and mitigate the current strained condition in railway transportation.

Before the meeting, in the company of Railway Minister Han Shubin; Hunan party Secretary Xiong Qingquan; Hunan Provincial Governor Chen Bangzhu; and Comrades Song Zhaosu, Li Daqiang, and Huang Zhiquan, vice governors of Henan, Hubei, and Jiangxi, Zhu Rongji inspected the construction site for the Zhuzhou North Marshalling Station. At the meeting, he listened to the work reports by the responsible comrades of the Ministry of Railways and the relevant provinces about the construction of the Beijing-Jiujiang Railway. Zhu Rongji then made a conclusive speech at the discussion meeting.

He said: To ensure the high-speed and sustained economic growth in our country, we must optimize and rationalize the economic structure. At present, the key points in the structural readjustments lie in agriculture and such infrastructural construction as transportation and communication facilities. Prominence should be given to railways in the infrastructural facilities, and railways represent the most important link among all infrastructural facilities. Strengthening railway construction and other infrastructural construction is the strategic step for implementing Comrade Xiaoping's important talks and the spirit of the instructions issued by the party Central Committee and the State Council. So great importance must be attached to this work, which must never be taken lightly. At present, attention should be paid to the orientation of investment. The banks should first guarantee agriculture and railway

construction under the precondition of guaranteeing payments. Through three years' decisive efforts, we should substantially enhance the transportation capacity of all major railway hubs throughout the country, thus gradually adapting railway transportation to the needs in the development of the national economy.

Zhu Rongji said: At present, the staff of the railway department is working with high enthusiasm, and the situation of railway construction is very good. Progress is being made rapidly. We should continue to grasp the opportunity, make solid efforts, quicken railway construction, and strive to complete the project of laying the whole railway line between Beijing and Jiujiang. The relevant state departments and the local governments at all levels along the railway line should closely cooperate without reservation for the overall interests of the whole nation in the aspects of ensuring funds and materials, power supply, population relocation, and land requisitioning. We should actually make the masses along the railway support spontaneously and wholeheartedly the construction of the Beijing-Jiujiang Railway, just as they supported the Red Army and the Liberation Army during the Huaihai Campaign in the war years.

At the same time, Zhu Rongji pointed out that the railway would not produce obvious effects in the first two or three years of its completion. To mitigate the current difficulties in the field of transportation, it is still necessary to rely on the technological transformation of the existing railways. So the work of expanding the capacity of the marshalling yards of the railway stations in Zhuzhou North, Hengyang North, and Guangzhou North must be stepped up so that the projects can be put into operation and achieve results at an earlier date. Efforts must also be made to improve transportation dispatching and management in order to further tap the potential transportation capacity.

Zhu Rongji stressed: To tap the transportation potential, we should now strengthen the style of work in the railway department, and this is the key link. He pointed out that various unhealthy tendencies still exist in the operation of the railway department. Some railway bureaus forced enterprises to "cooperate" with them in order to charge additional freights; some railway bureaus allocated railway wagons controlled by the state plan to their own labor service companies so that a high freight could be taken; and some railway bureaus charged their customers additional fees by cooking up various excuses. This not only added burdens to enterprises, but also worsened the strained condition of railway transportation and made it impossible to guarantee the delivery of materials to key construction projects and the transportation of key materials. Irregular practice not only exists in the railway department, it also exists in various departments in various forms. Resolute action must be taken to check such irregularities. Zhu Rongji said: To check the unhealthy tendencies in the operation of various trades, we should mainly deal with problems in some monopoly trades and the law enforcement institutions. The style of work in these departments should be first straightened out, and a good example should be set. Resolute measures should be taken

to prevent administrative organs and people from abusing their powers to seek economic benefit by engaging in business transactions. The railway staff always forms a well-disciplined and high-quality contingent in which the ideological and political is conducted effectively and the fine tradition of working hard and braving difficulties and hardships is maintained. So the railway department has good conditions for straightening out its work style, and can set a good example for other departments and provide experience for the whole country. In the work of straightening out the work style of the railway department, we should first formulate explicit policies (the finance department and the banks should support the tertiary-industry enterprises run by the railway department); second, we should enact regulations and rules (strictly prohibiting the practice of seeking illicit gains in the process of distributing wagons and selling tickets); and third strictly investigate and handle the cases of irregularities (leading cadres at all levels of the railway department should inspect and supervise the work of grass-roots units and seriously handle problems being discovered). He said: As long as we resolutely and constantly check the unhealthy tendencies in the operation of various trades, we shall be able to establish a new style of work according to the requirements of the socialist market economy and ensure the high-speed and sustained development of the national economy.

Rong Yiren Greets East Asian Games Athletes

OW2704131593 Beijing XINHUA in English 1230
GMT 27 Apr 93

[Text] Beijing, April 27 (XINHUA)—Chinese Vice President Rong Yiren encouraged the Chinese athletes here on Tuesday [27 April] to perform up to their top standard at the first East Asian Games starting on May 9.

"I hope you will display fine sportsmanship and excellent performance", said Rong when he met with all the members of the Chinese delegation at the Great Hall of the People.

The East Asian Games, scheduled for May 9-18 in Shanghai, east China, draw a total of over 1,200 athletes from nine countries and regions which are hosts China, South Korea, Japan, the Democratic People's Republic of Korea, Chinese Taipei, Mongolia, Hong Kong, Macao and Guam.

China fields the largest contingent of 403, including 310 athletes. They will participate in all the 12 sports of basketball, track and field, swimming, men's soccer, badminton, gymnastics, men's weightlifting, judo, rowing, boxing, bowling and martial arts.

Guam, specially invited to the games, has the smallest team with only 20 athletes competing in four sports.

Correction to Daily Notes 'Great Headway'

WA2704160193

The following correction pertains to the item headlined "Daily Notes 'Great Headway' in Family Planning,"

published in the Political & Social section of the 5 April China DAILY REPORT, page 27:

Column one, second paragraph of item, first sentence should read: ...was 2.79 million in 1987, yet the number dropped to 1.45 million in 1992, registering.... (deleting references to "pairs")

Science & Technology

Carrier Rocket Technology Improvement Reported

HK2604150493 Beijing ZHONGGUO XINWEN SHE
in Chinese 1225 GMT 23 Apr 93

[By correspondent Liu Linzong (0491 2651 1350)]

[Text] Beijing, 23 Apr (ZHONGGUO XINWEN SHE)—China's carrier rockets are on their way to the international market and are attracting more and more attention throughout the world. The general design of China's space carriers has reached advanced international standards.

As the "vanguard" of rocket development, the "advisory department" of chief designers, and the organization in overall charge of the technical development of rockets, the General Design Department of the China Research Academy of Ballistic Missiles, since it was founded 35 years ago, has successfully designed short-range, medium- and short-range, medium-range, medium- and long- range, and long-range rockets, as well as Long March No. 1, Long March No. 2, Long March No. 3, and Long March No. 2 strap-on high-thrust rockets. These carrier rockets have successfully sent 30 satellites into space, including five foreign-made satellites. All these carrier rockets have been brought into the international commercial launch market and have undertaken international satellite launching projects.

In the development of space carriers, the General Design Department has made tremendous achievements in designing models, beginning with the reproduction of China's first model. Success in several areas—structural dynamic research, analysis, and testing for rockets; separation technology for multistage rockets; special ballistic designs for testing the range and flight of intercontinental rockets; the structural design of common-base storage tanks and adiabatic designs; strap-on and separation technology for large carrier rockets; and the design of domes and separation technology for large satellites—has made China worthy of a place among the world's top rocket producers.

The General Design Department of the China Research Academy of Carrier Rocket Technology has won 293 important state- and ministerial-level scientific and technological achievement awards. The general designs of such rockets as Long March No. 1, Long March No. 2, and Long March No. 3 won important state-level scientific and technological achievement awards.

While developing space technology, the department has been energetically marching onto the main battlefield of the national economy by taking advantage of its superiority in sophisticated science and technology. Over a period of more than 10 years, they have developed almost over 300 civilian products and have established business contacts with 27 provinces and municipalities and over 100 cities and counties nationwide, as well as almost over 20 companies abroad. They have turned out a series of mainstay products, such as medical oxygen supply systems, electronic paging systems, medical purifying systems, minimum flow devices, applied microcomputers, and food packaging systems. The value of the civilian products they have had a hand in creating has reached 1.04 billion yuan. Apart from bringing forth new products and generating profits, this department has trained a large number of space technology professionals.

Nuclear Plant Monitoring System Operation 'Normal'

OW2404061393 Beijing XINHUA Domestic Service in Chinese 2132 GMT 16 Apr 93

[By reporter Shen Haixiong (1957 3189 7169) and correspondent Zhao Xiao (6392 2556)]

[Text] Hangzhou, 17 Apr (XINHUA)—After more than two years' experimental operation, the outer monitoring system of the Qinshan Nuclear Power Plant—the first nuclear power station on the Chinese mainland—has fully met its design requirements. At the same time, an environmental radioactive background survey and regular operational supervision of the power plant have been successfully completed, and an emergency monitoring exercise outside the plant was successfully conducted. At a meeting on 14 April to examine and approve the plant's monitoring capabilities, experts from the State Environmental Protection Bureau and from across the country unanimously held that the normal operation of the Qinshan Nuclear Power Plant's outer monitoring system is an important milestone in the country's radioactive environmental protection, and that this was the first time China had successfully conducted continuous supervisory monitoring over a nuclear power plant. The supervisory monitoring met international standards for the supervisory monitoring of nuclear power stations. The State Environmental Protection Bureau issued a circular to commend the Zhejiang Provincial Radioactive Monitoring Station, which is responsible for the Qinshan Nuclear Power Plant's monitoring work.

As China's nuclear power industry has developed from nothing, it has become a problem of concern for people across the country on how to stringently and effectively supervise these sources of nuclear pollution in order to protect the environment and to ensure that the country's nuclear power industry develops healthily. According to the "PRC Environmental Protection Law" and the

state's regulations on environmental protection, Zhejiang built the country's first environmental radioactive monitoring station in 1987 to conduct continuous supervisory monitoring over the Qinshan Nuclear Power Plant.

The Qinshan Nuclear Power Plant's outer monitoring system consists of a surveillance monitoring system, a laboratory monitoring system, and a mobile monitoring system. All technical specifications of the monitoring system were designed to meet international practices. Six high-voltage ionization chambers for automatic continuous monitoring, which are a part of the surveillance monitoring system, have been set up at various positions around the power plant. These ionization chambers generate a number every 30 seconds, which is transmitted to the headquarters in Hangzhou after it is processed through a computer. The laboratory monitoring system in Hangzhou measures radioactivity from all kinds of environmental media, as well as the total quantity of radioactivity, and specialized environmental monitoring cars conduct round the year continuous mobile monitoring of the environmental radioactive levels around the power plant.

Experts in this field have said that the first successful continuous supervisory monitoring of a nuclear power station not only has filled a void in the country's monitoring over radioactive environments, but also has enabled China's nuclear power station's outer monitoring technology to reach international levels.

Researchers Develop 'Accelerator Mass Spectrometry'

OW2704021593 Beijing XINHUA in English 0129 GMT 27 Apr 93

[Text] Beijing, April 27 (XINHUA)—China has built an accelerator mass spectrometry [as received] (AMS) applied in geoscience which has been developed jointly by Beijing University and the Shanghai Atomic Nucleus Researching Institute.

According to relevant experts, the achievement will promote the development of AMS and research in all kinds of relevant subjects.

Experts say that some systems of the newly-built AMS reach international levels.

China began to develop AMS in the 1980s. Compared with general mass spectrometry, AMS is more sensitive.

An AMS can be used to determine the time of cultural relics with No. 14 carbon radiation which need smaller samples than conventional radiation tests.

The AMS can also be used to test radio isotopes including "beryllium-10" and "aluminium-26."

China will apply the AMS in the fields of environmental science and biomedicine.

NPC Committee Chairman Discusses Environment

OW2404051493 Beijing XINHUA Domestic Service in Chinese 0243 GMT 13 Apr 93

[Interview with Qu Geping, chairman of the NPC Environmental Protection Committee, by XINHUA reporter Zhu Youdi (2612 1635 2769); place and date not given: "A Choice to Make in the Face of the Global Tide of Environmental Protection—An Interview With Chairman Qu Geping"]

[Text] Beijing, 13 Apr (XINHUA)—The protection of the human environment has been going on for 20 years. In China, environmental protection, a kind of work about which few people knew anything at the beginning, has developed into a great undertaking that is unfolding on a magnificent scale. In environmental protection, Qu Geping, chairman of the Environmental Protection Committee of the National People's Congress [NPC], has always been one of the vanguard. This reporter recently interviewed Qu Geping and asked him about the domestic and international situation in environmental protection.

Qu Geping said: The past 20 years have witnessed great vicissitudes. As a result, tremendous changes have taken place in the domestic and international situation in environmental protection. People have greatly enhanced their awareness of the importance of environmental protection, and the global tide of environmental protection is surging ahead each day. In China before 1972, it was said that "a socialist country has no pollution." But now environmental protection has become a basic policy of our country. Environmental protection, like tackling the population problem, is a major task bearing on the rise and fall or life and death of the Chinese nation. The party and the government attach great importance to this task, and hundreds of millions of people across the country concern themselves with it and understand and support it. A decision of the just-concluded NPC session to establish an environmental protection committee marked the beginning of a new development stage for environmental protection undertakings in our country.

Qu Geping said: We are advancing toward the turn of the century. The "Agenda for the 21st Century" adopted by a UN conference on environmental protection and development maintained: Mankind is at a historical juncture to make a choice. We should change or formulate our policy for sustained development according to our knowledge of the effects of mankind's activities on the environment, so that we will be able to have a safer and more prosperous future. Our country is not so prosperous and cannot afford to spend more money tackling pollution problems. However, we have found a way to protect the environment by emphasizing control. In this regard, we have provided useful experiences to other developing countries, winning praise from the international community.

A graduate of Shandong University, Qu Geping first majored in Chinese literature and then switched to the study of chemistry. He has devoted himself to the cause of environmental protection for many years. During these years, he has not only gone around campaigning for this cause but also presided over the formulation of a number of major policies for environmental protection, thus solving the problem of environmental pollution [as transmitted], a problem of concern to many people. So he is worthy of the highest award for international environmental protection which the United Nation conferred on him. Qu Geping said: We should soberly realize that our situation in environmental protection is still very grim. The tasks in the treatment of pollution and control of ecological damage are still very arduous. Generally speaking, environmental problems remain serious and tend to worsen, and people are worried about the prospects in this regard.

On the major environmental problems which are perplexing us, Qu Geping said: At present, air pollution is serious in China's urban areas. With coal as the major energy source, we emit 13 million tonnes of smoke and 15 million tonnes of sulfur dioxide annually, exceeding the urban air pollution standards set by the state. Acid rain zones around some cities in southwest and south China have shown a tendency toward expansion in recent years. Some urban sections of rivers and lakes are polluted. Some lakes and harbors are becoming seriously entropic [fu ying yang hua 1381 3602 7402 0553], causing more red currents [chi chao 6375 3390]. The utilization rate for our solid industrial wastes is low. While the worsening ecological trend has not yet been brought under control, the ecology is suffering more and more damage across the country. Soil erosion, grassland degeneration, and the erosion of land by sand are serious. There are frequent poachings of precious wild animals and indiscriminate gathering of precious wild plants.

On environmental prospects for the next century, Qu Geping said: In the 21st century, China will enter a new period of accelerated modernization and enhanced overall national strength. There will be both rigorous tests and great hopes for its environmental situation. The present economic development and population growth situation could lead to two possibilities in the environment of the 21st century. One is that we from now on correctly handle the relationship between the environment and development, further improve environmental management, and increase investment in environmental protection. As a result, we will be able to attain the environmental objective for this century by the year 2000, the environment of most cities will become clean and beautiful by the year 2030, overall environmental quality will be remarkably improved, and the ecological environment will become better and better. The other possibility is the opposite, with an even worse environmental situation which will pose a great threat to people's lives and health and obstruct economic development. We should strive for the first possibility and avoid the second one.

Qu Geping, full of confidence in China's environmental protection efforts, said: We have already preliminarily opened up an avenue for environmental protection with Chinese characteristics. Now we should seize the opportunity, constantly sum up the experience of success, meet new challenges, and create good conditions for the economic development and environmental protection in the next century.

Beijing Sets Up Environmental Protection Group

*OW2704093393 Beijing XINHUA in English 0733
GMT 27 Apr 93*

[Text] Beijing, April 27 (XINHUA)—The China Environmental Protection Foundation, one of the first such groups in the country, was founded here today.

Qu Geping, chairman of the Environmental Protection Committee of the National People's Congress, was elected president of the foundation's board of directors.

Qu has contributed 100,000 U.S. dollars, which he received as an environmental prize from the United Nations, to the foundation to set up the "Qu Geping Green China Environment Prize."

Military

Liaoning Develops Army-Run Enterprises

SK2204103893 Shenyang LIAONING RIBAO in Chinese 4 Apr 93 p 2

[Text] A few days ago, the provincial military district worked out a plan for development of Army-run enterprises from 1993 to 2000 and defined that the Army-run enterprises should speed up the development in line with the requirements of the market economy so as to better ensure the building of the Army, militia, and reserve duty service and to exert efforts to promote the province's second pioneering work.

Since the beginning of 1985, our province has established more than 130 military-run enterprises and formed food, petrochemical, machinery, and catering service trades with more than 5,000 staff members and workers. These enterprises created 729 million yuan worth of output value, created 116 million yuan of profits, handed over 21 million yuan of taxes, and subsidized 78 million yuan of funds for building the Army, militia, and reserve duty service.

The development targets covered in the production, management, and development plan of the provincial military district are as follows: In the last three years of the Eighth Five-Year Plan period, the profits created by the Army-run enterprises of the provincial military district should register an annual progressive increase of 15-20 percent; and from 1996 to 2000, the annual progressive increase in profits should range from 20-25 percent. The subsidies for the building of the Army, militia, and reserve duty service should increase by more

than five times over 1992. To this end, the military-run enterprises should suit the development of the market economy, resolutely separate the military management form enterprise functions, be managed in a unified manner by the departments for production management, be fully delegated with decisionmaking rights, and be encouraged to enter the markets and join the market competition.

Nanjing Political Commissar Speaks at Meeting

OW2404043893 Nanjing XINHUA RIBAO in Chinese 7 Apr 93 p 1

[Unattributed article: "We Should Have A Clear Idea About the Army's Sacred Mission and Vigorously Do a Good Job in Construction and Reform"]

[Text] "Inspired by the First Session of the Eighth National People's Congress [NPC] guidelines, and under the leadership of the CPC Central Committee—with Comrade Jiang Zemin as the core—and the Central Military Commission, we must arm all officers and men with Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and with his thought on army building in the new period; faithfully carry out the functions entrusted to our Army by the Constitution; seize opportunities; work hard for the country's prosperity; and scale a new height in revolutionizing, modernizing, and regularizing the troops of our military region." These remarks were emphatically made by Lieutenant General Liu Anyuan, political commissar of the Nanjing Military Region, at a Nanjing Military Region meeting held in Nanjing on 6 April to relay and study the First Session of the Eighth NPC guidelines.

Seated on the rostrum during the meeting were leading comrades of the military region Gu Hui, Liu Anyuan, Guo Xizhang, He Qizong, Wang Yongming, Pei Jiuzhou, Zhang Zongde, and Wang Chuanwu; senior leaders of the military region Du Ping, Xiang Shouzhi, and Fu Kuiqing; and NPC deputies from military region departments Pei Huiliang, Miao Guoliang, and Shi Shuizhou. More than 1,000 officers and men from the military region's headquarters and political and logistics departments attentively heard a report given by Major General Wang Yongming, NPC deputy and deputy political commissar of the Nanjing Military Region, which relayed the First Session of the Eighth NPC guidelines. Participants in the meeting unanimously maintained: The NPC session was a historic meeting held in the wake of the 4th National CPC Congress. It was a successful and united session which summarized the past and ushered in the future.

At the meeting, Political Commissar Liu Anyuan expressed his opinions in three areas on how the troops in the military region should relay and implement the guidelines of the recent NPC session: 1) All officers and men should fully recognize the significance of relaying and carrying out the First Session of the Eighth NPC

guidelines. He pointed out: Relaying and carrying out the recent NPC session's guidelines has profound significance for seizing favorable opportunities at home and abroad; for quickening the pace of reform, opening up, and modernization; and for advancing the modernization of national defense and the Army at the present stage and during the rest of the nineties. 2) In relaying and studying the guidelines, troops should focus on key areas and stress practical results. They should correctly assess the great achievements of the past five years in reform, opening up, and modernization; scientifically summarize their experiences; and further strengthen their faith in building socialism with Chinese characteristics. They should set magnificent goals and basic tasks for the nation's economic construction; for reforms of the country's economic structure, administrative system, and government organizations; and for the overall development of social and other undertakings. They should conscientiously subordinate themselves to the overall interests of the nation's economic construction, firmly embrace and support reform and opening up, and vigorously participate in national economic construction to make new contributions to making the motherland prosperous and strong. They should understand the basic principles of actively advancing the great cause of reunifying the motherland and of carrying out our country's diplomatic work, and further improve their understanding of our army's historical responsibility regarding the great cause of reunifying the motherland and safeguarding world peace. They should set basic tasks to advance national defense modernization; clearly recognize the Army's sacred mission in reform, opening up, and modernization; vigorously take the initiative in successfully carrying out army building and reform; and provide strong and effective guarantees for the country's reform, opening up, and economic construction. 3) Leaders at all levels should earnestly implement the guidelines of the NPC session in light of the reality of the military region. Leading cadres at all levels must take the lead in inspiring enthusiasm, serving as role models in everything they do, and provide guidance to soldiers to score first-rate achievements in their work. In accordance with the requirements of the Central Military Commission, and the need to improve troop quality and enhance combat effectiveness, troops in the military region should work hard to strengthen and reform themselves, and should truly achieve political reliability and military competence, foster a fine style of work, maintain strict discipline, and ensure adequate logistical support in order to successfully accomplish the various tasks entrusted to our military region by the party and the people.

Economic & Agricultural

Possible 'Big Power Shortfall' Causes Concern

HK2604105393 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 25 Apr-1 May 93 p 1

[By Wen Min: "Concerns Aired About Big Power Shortfall"]

[Text] Five Chinese ministries and commissions issued a notice to local authorities recently asking them to ensure that the country's power industry installs enough generators this year.

The growth of power production, which was 10.7 percent in 1992, should be parallel with that of the national economy, the notice said.

China's industrial production grew by more than 20 percent in 1992 and a further high growth rate is expected.

The units issuing the notices included the State Planning Commission and the State Council's Economic and Trade Office.

Fifty-seven large and medium-size generators capable of producing 11.5 million kilowatts per hour are to be installed this year.

Of them, 44 are thermal ones generating 8.6 million kilowatts per hour and the rest are hydro power ones producing 2.85 million kilowatts per hour.

Also, if possible, another 10 generators producing 2.52 million kilowatts per hour are to be installed, the notice says.

The development of the national economy would be affected if the tasks were not completed, the notice warned.

Observers say this indicates that China will have to accelerate development of the power industry or else it will face power shortages in the future.

China's power production capacity, which stands at some 165 million kilowatts per hour, will be extended to at least 280 million by 2000.

That means the country will have to install power generators capable of producing 13 million kilowatts per hour in 1993 and also in 1994.

And in each of the next five years, generators capable of producing 15 million kilowatts per hour will have to be installed.

Between 1988 and 1992, power production capacity was increased by 60 million kilowatts per hour. Some 50 billion yuan (\$8.77 billion) was used to build power plants in each of the years.

China, with a population of more than 1 billion, will have to take strong measures to accelerate power production, officials from the industry warned.

The growth of the gross national product is expected to be 8 to 9 percent and this requires parallel growth of power production.

In China, to gain a capacity of 1 kilowatt per hour needs an investment of 3,400 yuan (\$596). That means some

\$69 billion in investment is needed if generators to produce 115 million kilowatts per hour are to be installed.

If the targets are set at 160 million kilowatts per hour, \$95.4 billion is needed.

For two years, Chinese senior officials have repeatedly stressed the necessity to accelerate faster development of the power industry.

Premier Li Peng has said China welcomes investment from overseas to launch power projects.

Several Sino-foreign power generating joint venture agreements have been signed. Some of the ventures are already under construction.

This year, electricity charges are such that they not only meet production costs but also permit power stations to make profits.

As such, experts say more foreign investors will get involved in China's power industry.

Reports show Chinese enterprises are also enthusiastic about joining efforts to invest in the industry.

'Defects' in Enterprise Regulations Outlined

*HK2604141593 Beijing ZHONGGUO XINWEN SHE
in Chinese 0654 GMT 23 Apr 93*

[Report on a "special" interview with Zhou Shulian, director of the Chinese Academy of Social Sciences' Industrial Economics Institute, by reporter Wang Xiaohui (3769 2556 2547): "Zhou Shulian Says the 'Regulations' Must Be Implemented and Developed"]

[Text] Beijing, 23 April (ZHONGGUO XINWEN SHE)—Today, when discussing the "Regulations Concerning the Transformation of the Operational Mechanism of Industrial Enterprises Under the System of Ownership by the Whole People," Zhou Shulian, noted economist and director of the Chinese Academy of Social Sciences Industrial Economics Institute, said: The regulations must be substantiated and developed in the course of their implementation, because some of their provisions are rather sweeping and abstract, and they contain some serious defects. The Regulations have not completely broken away from the guiding ideology of the government running enterprises.

In a special interview with this reporter, Zhou Shulian stressed: The regulations, which have not come easily, must be implemented resolutely. It has been learned that the Regulations, which the State Council promulgated in July 1992, were formulated in response to the problems arising in the course of transforming the operational mechanism of state-owned enterprises. The regulations stipulated that enterprises were to enjoy decisionmaking powers in 14 areas of operation.

Zhou Shulian maintained: The primary manifestation of the progressive aspect of the regulations are their concrete and detailed provisions on enterprise decisionmaking powers regarding operations and on directors' and employees' responsibilities for enterprise profits and losses, their provision on the government's tasks and responsibilities in the course of transforming enterprise operational mechanisms, and their emphasis on ensuring state ownership of enterprise property. Therefore, Zhou Shulian said: The regulations must be resolutely implemented above all else.

But why should the regulations be substantiated and developed in the course of their implementation? Zhou Shulian replied: This is because some provisions of the regulations are rather sweeping and abstract, and they contain some serious defects. He described the main defects as follows:

—There are still unnecessary restrictions on the decisionmaking powers of some enterprises. For example, in the clauses concerning enterprise decisionmaking powers in the areas of exports, investments, and asset disposal, there are provisions calling for approval by the relevant government organs. These provisions are either too sweeping, too flexible, or too restrictive, thus making their implementation even more difficult.

—There is no provision in the regulations for how enterprises should assume full responsibility for their profits and losses. Although the regulations stipulate that enterprises should assume full responsibility for their profits and losses, they only say that enterprise directors and employees should be held responsible for profits and losses, but they do not specify how enterprises should take full responsibility for their profits and losses as legal persons.

—The regulations make no stipulation on enterprises' ownership of property as legal persons. The regulations are definitive and clear in ensuring state ownership of property, but this is not the case for enterprises' ownership of property as legal persons. What follows is the theory of the separation of two powers, which says that state-owned enterprises only have the power to operate and not to own. Because enterprises do not have the power to own property, they are unable to assume full responsibility for their profits and losses.

—The regulations have not yet completely solved the problem of separating government and enterprise functions. The government has the power to make appointments and dismissals; to punish and reward enterprise directors; and to set the modes, ratio, or quotas of distribution of property earnings between the state and the enterprises. That the government has the power to decide the approval of enterprises' construction projects is in fact tantamount to putting some of the enterprises' operational and management

powers into the hands of government. As such, how can the separation of government and enterprise functions be achieved?

Zhou Shulian said: These defects show that the regulations have not yet completely broken away from the guiding ideology of the government running enterprises. China is currently working for the establishment of a socialist market economic structure. With the exception of a small number of state-owned enterprises that should be kept unchanged in terms of ownership, most of them will be turned into independent commodity producers and operators. They should no longer be run by the government. Otherwise, it will be difficult for them to become genuine commodity producers and operators and independent market players.

Commentary on Improving Market Management

OW2404053993 Beijing XINHUA Domestic Service in Chinese 2122 GMT 16 Apr 93

[Commentary by XINHUA correspondent Chen Zhifeng (7115 1807 1496) and reporter Li Yafei (2621 0068 7236): "Tolerance" of 'Ban' in Market Management]

[Excerpt] Beijing, 17 Apr (XINHUA)—Recently, the foundation stone for the Jingwen Building was laid in the Fengtai District of Beijing Municipality; the building is expected to be completed and put to use next year. It will house outlets for thousands of private garment factories in "Zhejiang Village."

"Zhejiang Village" in Beijing is an "underground market" consisting mainly of garment processing factories run by more than 30,000 people from Zhejiang and other parts of China. In the past, concerned departments repeatedly took actions to ban the "black market," but more people have come than those who were being expelled and the "village" is getting bigger and bigger.

The "Zhejiang Village" phenomenon is not rare in our present social and economic life. In addition to it, there are such markets as "Xinjiang Village," "black timber market" and "junk village" selling small commodities for daily use, and there are also a number of spontaneous markets for agricultural and sideline products in Beijing. The spontaneous markets evade government supervision and management as well as tax payments, and engage in such illegal acts as adding impure ingredients to goods, shorting customer orders, and selling fake goods. However, objectively speaking, they indeed are also playing a positive role in satisfying the needs of social and economic life, as well as the needs of production and development.

Different conclusions will be reached if those spontaneous markets are viewed from different angles, giving rise to the question of whether they should be "tolerated" or "banned." We should say that neither "tolerances" nor "bans" are dispensable in the management of spontaneous markets. We should not merely resort to "encircling, pursuit, blocking and interception," nor

should we "tolerate" and just leave them all alone. We should tolerate whatever should be tolerated and ban what should be banned according to concrete circumstances. The criterion is to ensure that they are conducive to people's daily lives, economic development and the building of spiritual civilization, as well as to the establishment of a socialist market economy and the improvement of the market system.

We should harshly punish and resolutely ban illegal markets which deal in smuggled goods, narcotics, pornographic audio and video products and publications, or other contraband goods which the law and regulations prohibit. Some spontaneous markets are created due to our inadequate market system during the course of the shift from the old to the new economic structure. To deal with them, we should resort mainly to "tolerance," recognize their legitimacy, and improve their management. We should restrict their negative aspects, give play to their positive role, and make them serve the development of the socialist market economy. [passage omitted]

Moves To Control Auto Imports, Factories

SK2704100893 Seoul YONHAP in English 0829 GMT 27 Apr 93

[Text] Beijing, April 27 (YONHAP)—China's State Council (cabinet) instructed provincial governments in February to get approval of the central government before importing cars or building licensed assembly lines, it was learned Tuesday.

The council had told provincial governments that only imports of cars and light trucks approved by the central government were allowed, sources said.

Licenses issued by provincial governments for imports or the construction of licensed assembly lines must be cancelled unless they are endorsed by the central government.

The sources said that the instructions were issued in response to an upsurge in smuggling of cars by provincial officials with the help of foreign traders.

South Korea's Hyundai Motor Co. and Daewoo Motor Co. have reportedly sold hundreds of cars a month to Chinese provincial governments.

China's provincial customs officers are known to have recently caught South Koreans and Chinese officials trying to smuggle 20 Daewoo cars into China.

Journal on Problems in Managing Joint Ventures

HK2704083093 Beijing JINGJI GUANLI in Chinese No 12, 5 Dec 92 pp 50-52

[Article by Yang Hua (2799 2901), edited by Lin Daojun (2651 6670 0689): "Problems in Managing Joint Ventures"]

[Text] In the decade and more since reform and opening, particularly since the establishment of the special economic zones, the opening of coastal cities, and the implementation of an export-oriented economic strategy, China has seen substantial progress in the development of foreign-invested enterprises. The rapid development of Chinese-foreign joint enterprises has not only attracted a considerable portion of idle international capital and has strengthened our export-oriented economy, but it has promoted the development and improvement of domestic enterprises through the importation of advanced production techniques and managerial expertise. However, viewing the present situation, there are still many problems in the operation and management of foreign-invested enterprises, and these urgently need to be studied and tackled.

I

In Chinese-foreign joint enterprises, investment by foreign businesses (hereinafter referred to as foreign participants) accounts for a large percentage. Foreign participants assume great responsibility in the management of these enterprises. It should be affirmed that the majority of foreign agents are conscientious and responsible and sincerely wish to cooperate. However, there are some foreign businessmen who have not fulfilled their responsibilities or do not want to assume responsibility to begin with. The following are some of the main problems:

1. Assuming responsibility for profits but not for losses. Foreign participants invest in Chinese enterprises mainly for the purpose of making money. Thus, foreign participants tend to handle new projects and investments with care, and are also strict in management. This explains the higher percentage of joint ventures with good economic performance. However, due to changes in the market situation, some joint ventures have to totally or partially suspend production. These enterprises are not operating normally and are performing very poorly. According to the principle of equality, mutual benefit, and risk sharing for joint ventures, both parties concerned have to bear the economic responsibility and share losses. The trouble is that some local authorities have made it their priority to ensure the profits of foreign participants regardless of the performance of these enterprises, while taxes to be collected and loans due for repayment are left without guarantees. Some joint ventures have closed shop in disguise or switched to other lines of production due to poor management, and in most cases the responsibility for outstanding loans has fallen squarely on the Chinese participants. If there is no way of identifying the responsibility, banks are compelled to bear the losses.

2. Providing materials but not money. According to international practice, the foreign and Chinese parties to a joint venture each contributes a given share of investment to form the initial capital, to be paid up in cash, while matters pertaining to the purchase of equipment and materials should be jointly discussed and decided on by agents of both parties. This is an equal economic right

as well as a principle for joint-venture undertakings. However, this has not been observed by the foreign participants in some joint ventures. They would often agree on cash settlements when negotiations first got underway, but after the Chinese side had done a lot of preparatory work and the contract was ready for signing, they would come up with new terms. For example, they would demand that equipment and materials be purchased from a particular foreign company, or that they should be responsible for the purchase of equipment and materials, threatening to choose another partner should their demands be refused. Unwilling to see their preparatory work go to waste, the Chinese side would then be compelled to agree to their terms. Not only that, some foreign businessmen would even directly demand, at the time of signing the contracts, that they would provide equipment worth a certain amount in dollars provided that the Chinese side furnish a certain amount in dollars as operating capital, thereby turning the joint ventures into business cooperation or cash purchases in disguise. In many cases, the foreign participants in joint ventures are in fact international dealers and equipment agents, while we spend our money buying their equipment and helping their foreign trade in the name of "joint ventures." Foreign participants can earn enough to cover their actual investment from sales of equipment alone.

3. Cooperating in operations but not in marketing. In some joint ventures, the foreign participants are only responsible for giving guidance in production techniques and management, but in contravention of the contract terms, which include promises to act as sole agent for overseas sales, they refuse to assume responsibility for marketing the products. This not only makes things more difficult for the Chinese participants and thrusts managers and producers into a passive mood, but it increases the burden on the domestic market and brings pressure to bear on other manufacturers at home. On the other hand, it also adversely affects the fulfillment of foreign trade plans by enterprises and localities. When enterprises are unable to come up with enough foreign exchange to meet production and operational needs, local authorities are compelled to bail them out with money taken from the public coffers.

4. Not honoring signed contracts. The salient expressions of this problem are: 1) failures to provide the required cash; 2) frequent alterations to the terms of contracts; 3) delays in fulfilling agreements; 4) inconsistencies between the standard of goods installed in and that specified in the contract; 5) failure to fulfill certain agreed terms, such as the provision of training overseas to Chinese personnel.

The reasons for the above problems are as follows: First, because of inconsistencies in some macro policies, laws, and regulations, we have created loopholes for foreign participants to exploit and are thus unable to effectively guide the direction and priorities of enterprises. Second, with local authorities offering too many preferential policies and even competing to lift restrictions, foreign

participants stand to benefit. Third, since policy decisions were formulated without sufficient feasibility studies and consultations, foreign businessmen who harbor ulterior motives can take advantage of the loopholes.

II

Some joint ventures leave a lot to be desired in their operations and management. The problem does not rest entirely with the foreign participants, some personnel on the Chinese side are also directly or indirectly to blame.

1. Seeking gains but not fulfilling tasks. Some managerial personnel on the Chinese side do not work with single-hearted devotion, do not conscientiously try to make a success of joint ventures, and do not make an effort to fulfill the duties entrusted to them by the party and the people. Rather, they try by all and every means to fulfill their personal goals and cudgel their brains seeking personal benefits. Some of them made arrangements for their children to study, and undergo training or settle abroad with the help of foreign businessmen; some of them went on pleasure trips abroad in the name of inspections and study with the help of foreign businessmen; some of them achieved their aim of securing promotion, position, pay increases, and housing with the help of foreign businessmen; some of them deposited their earnings overseas or obtained overseas postings with the help of foreign businessmen. Their realization of these personal goals was often achieved at the expense of their enterprise's and the state's interests, even at the expense of their principles and stand.

2. Managing assets but not the books. According to international practice, the power and obligations of the parties to joint ventures are reciprocal. However, the Chinese personnel of some joint ventures have no role to play in keeping accounts. In some cases, they do not even have any say in making important decisions. This is for two reasons: on the one hand, the agents of some foreign participants have put a lot of stress on the particularity of their joint ventures. With the exercise of management power as a condition of the contract, they organized their own personnel and assumed total control, leaving no part for the Chinese side to play. On the other hand, some managerial personnel on the Chinese side have a lop-sided understanding of respect for the other party's autonomy, while overlooking autonomy for the Chinese side. They are reluctant to interfere with the operational decisions and financial statistics made by the foreign participants' agents. It should be pointed out that the management of accounts is an important aspect of enterprise management. If we fail to grasp this key aspect, it will be a grave loss of authority in the management of joint ventures.

3. Importing hardware but not software. The development of joint ventures is an excellent way of importing things foreign and an excellent way of learning from others. It not only involves importing foreign capital, equipment, materials and other productive hardware,

but also involves the import and upgrading of nonmaterial software, such as manpower, technology and management. However, the Chinese managers of some joint ventures only paid attention to the import of productive hardware and neglected imports of technical software. Because of this, key technologies, important links, and new techniques are all in the hands of foreign participants, and they have to listen to them on the vital issues of production and operation. Personnel on the Chinese side have not grasped the technical initiative in production.

III

Achievements are the main aspect of joint ventures and must be affirmed. However, problems in the management of joint ventures also must not be overlooked. To make a success of joint ventures and make more effective use of foreign capital, we should concentrate on grasping work in the following areas in the future:

1. Put equal stress on development and optimization. Chinese-foreign joint ventures are important achievements of China's reform and opening. They are important components of an export-oriented economy as well as an effective means of importing foreign capital and technology and invigorating our economy. However, in order to gradually optimize and improve joint ventures, it is necessary to promote their development level by level and give separate guidance. We now have quite a large number of joint ventures. In the coastal areas, in particular, many cities have sizable clusters of joint ventures. Now is the time to sum up and reflect on their successful experience as well as their inadequacies. While making further efforts to run existing joint ventures well, it is also necessary to speed up the development of foreign-invested enterprises. Foreign-invested enterprises that are well run should be commended and supported, while those that are poorly or unsatisfactorily run should be helped to undergo consolidation and improvements. Many localities have gone overboard in their preferential policies. These go against the policies of the central government and should be examined and consolidated. In developing foreign-invested enterprises in the interior, it is necessary to improve the investment environment, strengthen horizontal ties, absorb foreign capital by diversified means, and establish more joint ventures. At the same time, it is also necessary to sum up the successful experience of coastal areas, steer clear of the mistakes made by them, and pay attention to the management and improvement of joint ventures.

2. The integration of legislation and guidance. Bringing joint ventures within the legal framework and strengthening policy guidance are important assurances for the operation and management of joint ventures. Our primary task at present is to establish and strengthen relevant laws and regulations for the management of joint ventures. For instance, we must clearly define the economic nature, legal status, and registration requirements for joint ventures, as well as their qualifications as

a legal person, property rights relations, form of distribution, personnel arrangements, labor protection, guarantees of powers and interests, arbitration, and so on. In this way, foreign-invested enterprises will have laws to abide by and will be able to move onto a healthy track of development. At the same time, it is also necessary to formulate scientific and rational industrial policies, and guide foreign-invested enterprises to select development projects in accordance with China's industrial plans, and development priorities and practical needs so that their development will tally with oOn the question of taxation and credit, we should give support to and look after those joint ventures that abide by laws and regulations in their operation and are conducive to the development of our national economy, and impose necessary policy restrictions on joint ventures that do not have the necessary investment conditions, clear investment objectives, or risk capital.

3. Putting equal stress on delegating powers and the imposition of constraints. Foreign-invested enterprises are different from other enterprises in China. Joint ventures, in particular, have their own unique characteristics. In order to successfully run joint ventures, we must first conduct further studies and probes on the decentralization of power and the invigoration of the economy. On the one hand, we must grasp the implementation of existing reform measures instead of merely paying lip service to them. On the other hand, wmust study and work out new reform measures in the light of the development needs of joint ventures, and we should conduct reform on a wider scale with special emphasis on intensification and development. Second, while delegating powers to the lower levels, it is also necessary to strengthen the necessary constraint mechanisms. These constraints must reflect the basic principles of socialist enterprises without affecting the implementation and embodiment of rational and useful international practices in joint ventures. Party, government, trade unions, and other mass organizations are likewise indispensable in the supervision of enterprise management. However, these organizations must pay attention to the protection of the legitimate powers of legal persons on both sides and must not intervene in making operational decisions and the management of production. Steps must be taken to establish a system of making major decisions public and financial management. It is also necessary to establish a system of cadre impeachment to prevent abnormal economic behavior by managerial personnel. Third, efforts must be made to optimize the personnel lineup. People with both ability and political integrity should be selected to fill managerial positions in joint ventures. It is also necessary to improve the overall quality of managerial personnel through effective training.

4. Simultaneous development of services and management. Like other enterprises, joint ventures need to provide socialized services and be given more guidance in management. Chiefly speaking, it is necessary to strengthen guidance in the following five areas: first, guidance in decisionmaking. Enterprises must be guided

to attach importance to scientific decisionmaking and pay attention to feasibility studies. In choosing partners, in particular, they must select companies with substantial strength, the ability to break new ground, and good overseas credit. Second, guidance in the form of policies, laws, and regulations. It is necessary to publicize China's industrial policies, reform requirements, and legal system to joint ventures at both the central and local levels so that they will understand the direction and changes of China's policies, laws and regulations, promptly readjust their direction of operation, and maintain the momentum of healthy development. Third, guidance in market information. We must promptly provide joint ventures with domestic and international economic information as well as changes in market conditions so as to provide enterprise managers with the necessary external conditions for decisionmaking. Fourth, guidance in policy consultation. Joint ventures should be assisted in conducting feasibility studies and given consultation on matters of production and operation. Fifth, guidance in operation and management. Enterprises should be given guidance and supervision in the management of operations and financial matters, and a healthy system of enterprise management should be established. In particular, for joint ventures running at a loss due to poor management, it is necessary to transfer professional cadres to help them sum up their reasons for sustaining losses and study measures for improvement. They should be helped to turn losses around and restore vitality as far as possible.

5. Strive to increase output and efficiency at the same time. We must guide joint ventures in establishing a correct concept of operations and correctly handle the following three relationships in production and operations: First, we must properly handle the relationship between speed and efficiency and establish the concept of efficiency. In accordance with the requirement for statistics on the national economy, we must, on the one hand, rationally work out the production value of joint ventures in order to accurately reflect their growth. On the other hand, we must pay special attention to economic efficiency so that both sides will be compensated. We must not stress development speed at the expense of economic efficiency. Second, we must properly handle the relationship between quantitative increases and quality assurance and establish the concept of quality. This is not merely a question of stressing moral integrity in enterprise management and protecting the personal interests of consumers. Rather, it is a strategic issue involving the protection of the good name of joint ventures and the maintenance of their long-term development. Third, we must properly handle the relationship between accumulation and distribution and establish the concept of development. Joint ventures must properly handle the relationship between accumulation and distribution. They must increase accumulated strength for development so as to achieve continuous development and growth in the course of increasing self-accumulation.

Some Means of Production Prices 'Out of Control'
HK2704034593 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 1500 GMT 25 Apr 93

[Text] Beijing, 25 Apr (ZHONGGUO TONGXUN SHE)—The prices of some means of production have obviously gone out of control. According to information provided by the State Planning Commission Price Department, the readjusted prices in the domestic market are apparently higher than abroad as follows: The price of timber is 30 percent higher; lead, 26 percent; nickel, 75 percent; copper, 21 percent; and aluminum, 19 percent.

The difference in the prices of rolled steel is even wider. Following the lifting of restrictions on the prices of rolled steel, it is said that prices have soared. The major consumers and the electromechanical units have poured out complaints. Because of short supply, prices of bearing steel and silicon steel have increased sharply. The rising costs caused by the increase in raw materials prices have outstripped the annual profits of factories. As a consequence, factories are in a predicament: the more they produce, the greater the deficits they incur, making it difficult for them to maintain normal operation.

On 12 March, the market price of bearing steel in Shanghai topped 4,800 yuan per ton, some exceeding 5,000 yuan. At the end of last year, the price was still around 3,850 yuan. Because of this drastic fluctuation, the Shanghai Bearing Company is suffering serious deficits.

The price of silicon steel, which was still at 2,600 yuan per ton last April, soared to 6,200 yuan this year. As a result, the price of an electrical machine also rose to over 1,000 yuan, worsening production in a number of factories. It has been reported that production has been suspended in a number of factories, including the Dalian Electrical Machine Plant in Liaoning.

Enterprise directors say that raw materials constitute the "bottleneck industry" of the mainland economy. Suitable price readjustments, though understandable, should be conducive to boosting the economy rather than turning it toward "necrosis."

China To Use BOT Model To Absorb Investment
HK2704022493 Beijing XINHUA Hong Kong Service in
Chinese 1018 GMT 23 Apr 93

[By reporter Chen Ming (7115 6900)]

[Text] Beijing, 23 Apr (XINHUA)—As an important move to absorb foreign investment, China will adopt the "BOT" [Build-Operate-Transfer] model, a common international practice, to speed up the construction of infrastructures and solve the "bottleneck" problems in the development of the national economy.

Zou Jiahua, vice premier of the State Council, said: This model will be widely adopted in the coastal areas.

According to a briefing, in the construction of infrastructures, foreign businessmen will be allowed to contract the construction of several major projects using their own investment and, after completion, they will manage and operate the projects and pay taxes to the Chinese side within the contract period of 15 years. After the term of contracted operation expires, the whole projects will be returned to the Chinese side.

An official of the State Planning Commission in charge of the regional economic development said: The BOT model is an effective means for developing countries to absorb foreign capital. It is also widely adopted by developed countries. China will actively adopt this investment means in the construction of infrastructures in areas such as energy industry and transportation.

The official said: According to this new policy, foreign capital is allowed to enter such areas as power plants, railways, roads, ports, and posts and telecommunications; and in addition to undertaking projects, they are also allowed to provide technology, equipment, and managerial personnel.

He said: The Chinese adoption of the BOT model also means giving a certain market share of the fields such as energy industry, transportation, and telecommunications, which were under strict monopoly in the past, to foreign investors. Since most infrastructures are non-product projects with a marginal profit, China will also consider letting foreign businessmen participate in the other projects relating to the ones they are undertaking, such as the commercial, real estate, and advertising industries along the lines of expressways or express railways.

It has been reported that localities will give preferential considerations to foreign investors involved in the construction of infrastructures in the tertiary industry and other sectors of the economy, and will ensure their legitimate rights and interests in China so that they can make money.

China has decided to carry out a large-scale construction needing a total investment of 1,000 billion yuan and another investment of \$10 billion, which is to be absorbed from abroad, in the Chang Jiang Delta and the areas along the banks of the Chang Jiang.

Observers in Beijing held: As far as the investors with foresight and sagacity throughout the world are concerned, China's ambitious Chang Jiang development strategy will serve as a golden opportunity and a huge market to them.

As the world's largest developing country, China has made great progress in the investment environment and utilization of foreign investment. In 1992 alone, China

signed a new agreement on foreign investment utilization involving \$68.5 billion in funds, of which \$18.8 billion had been put to practical use.

Foreign Borrowing, Investment 'Under Control'

HK2604131693 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 25 Apr-1 May 93 p 1

[By Wang Yong: "Official Predicts \$10 Billion More in Investment"]

[Text] Both China's foreign borrowing and foreign investment are firmly under control and growing at reasonable rates, top government officials say.

According to a newly-revised blueprint on investment, China is expected to lap up \$35 billion in direct overseas investment between 1991 and 1995.

The forecast figure predicts a total of \$10 billion more in overseas capital resources will be used than was originally thought.

A senior Chinese official predicted overseas investment in China would spiral up on the basis of 1992, which was a vintage year when \$11.6 billion overseas capital was pumped in, surpassing China's foreign borrowing for the year, which hit about \$7.3 billion.

In the foreign debt sector, Qu Youzhang, director general of the foreign investment administration of the State Planning Commission, revealed that China's long- and medium-term foreign borrowings from 1991-95 would reach around \$50 billion.

By the end of last year, China had accumulated \$69.3 billion worth of foreign debt, of which \$58.5 billion was long- and medium-term and \$10.8 billion was short-term.

"China's actual use of new foreign loans will be capped at under \$10 billion this year," Qu told Business Weekly in an interview.

He added China would likely have \$70 billion worth of long- and medium-term foreign debt by the end of 1995.

"But even so, our debt service ratio will remain below 20 percent of annual export earnings, the internationally-recognized safety level," he said.

But he declined to forecast how much foreign reserve China would have by then.

"We have at least three reasons for optimism about a steady, low debt service ratio," he explained.

The bulk of China's projects using foreign loans are running well, and there has never been a case of delayed repayment of a loan borrowed by the Chinese Government, he said.

Moreover, China's ability to service its debt has been bolstered by speedy development of the country's foreign trade, which grew by 22.1 percent in 1992 over the previous year.

A top Chinese trade official recently announced that China's foreign trade would top \$200 billion by 1995.

In particular, analysts noted, exports by overseas-funded ventures rose sharply last year.

About 90,000 such enterprises generated \$17.4 billion worth of exports last year, making up one-fifth of the nation's total.

"Last but not least, we've tightened up supervision of projects that involve foreign loans," Qu said.

China is setting up a special fund to guarantee on-time repayment of foreign loans, he revealed.

The source of the funds is mainly payment from the export incomes of local enterprises.

Qu said the fund, which is being run on a trial basis in certain areas, will prevent China from a debt crisis even if the burden of repayment piles up in the next few years.

"We believe China is in a good position to attract more foreign loans in the future."

He disclosed that China is soon to announce a high-profile list of equipment and technologies it wants to import.

And some of these items are to be financed by foreign loans, he added. He did not give details.

China used more than \$60 billion worth of foreign loans from 1979 to 1991 to cover the country's fund shortages for key construction projects and to upgrade the nation's technical standards.

In 1986-90 alone, China used more than \$40 billion worth of such loans.

Qu said foreign loans will continue to finance projects in such key sectors as energy, transportation and infrastructure.

But he pointed out that China should seek to obtain more foreign loans to bolster the country's agriculture and its environmental protection in the near future.

He also pointed out that China should give more play to direct overseas investment, as it continues to attract foreign loans.

Gangs Defrauding State of Export Tax Refunds

*OW2404211393 Beijing XINHUA in English 1532
GMT 24 Apr 93*

[Text] Beijing, April 24 (XINHUA)—China has uncovered two criminal gangs engaging in defrauding the

government of export tax refunds, according to Deputy Procurator General Liang Guoqing here today.

One of the gangs was based in Shenzhen, a special economic zone in south China's Guangdong Province and the other was based in Sichuan Province in southwest China.

The ringleaders of the two gangs—Zhang Hanxuan, Zheng Chuming and Lin Binghui—are all jobless. They sneaked into Shenzhen and claimed to be agents of companies outside the Chinese mainland, according to Liang.

"So far, 58 suspects are subject to investigation and 20 others have been arrested," Liang said. "In the process of investigating the cases of false tax refund claims, 12 cases of bribery were also discovered and investigated."

The cases involve 23 of China's provinces, autonomous regions and municipalities. Discovered so far are forged invoices for over 1.64 billion yuan-worth of export products, forged tax paid certificates for over 900 million yuan-worth of taxes and false foreign trade contracts involving 350 million yuan, Liang said.

"The gangs got a total of 33 million yuan in tax refund by claiming false exports," he added.

Liang said that the procuratorates have recovered more than 10 million yuan and 3.6 million U.S. dollars, and 2.7 million of the five million yuan paid in bribes.

The Standing Committee of the National People's Congress, China's legislature, passed supplementary regulations on punishing the crimes of evading, dodging and refusing to pay taxes last September, which stipulates that if the money defrauded by claiming false exports exceeds 10,000 yuan, five times the amount must be paid in fines, and the person or persons involved will be sentenced to up to three years' imprisonment.

China started to allow a refund of taxes paid by export producers from 1985 to encourage exports.

Along with the increase in exports in recent years, taxes refunded are on the rise too, amounting to 27.6 billion yuan last year, and is expected to reach 29 billion yuan this year.

It was learned that China's tax authorities plan to use special anti-fraud tax refund bills and introduce a computer system to curb such crimes.

Printing, Sale of Purchasing Certificates Banned

OW2404023593 Beijing XINHUA Domestic Service in Chinese 2132 GMT 15 Apr 93

[Text] Beijing, 16 Apr (XINHUA)—The State Council has issued a circular on banning the printing, sale, buying, and use of purchasing certificates in place of money.

The circular states: Since the beginning of last year, enterprises, institutions, and government organs in some large and medium cities have been arbitrarily engaged in printing, selling, and using purchasing certificates in place of money in violation of the relevant provisions of the party Central Committee and the State Council. The practice must be banned immediately because it disrupts the banking order, runs counter to the system of taxation and financial administration, increases spending of consumer funds, and promotes unhealthy tendencies.

The circular said: Although the party Central Committee and the State Council have issued repeated injunctions banning the issuance and use of purchasing certificates in place of money, some units have refused to implement the injunctions. According to one report, some shops have sold more than 100 million yuan worth of purchasing certificates; the value of commodities purchased with these certificates has exceeded one third of the total sales volume; the practice of issuing short-term purchasing certificates for buying commodities at a designated shop has expanded to that of issuing long-term ones for use in buying commodities at any shopping mall. Units which buy these purchasing certificates include state-owned enterprises, collective enterprises, Sino-foreign joint ventures, private enterprises, individuals, and some government organs and institutions. Some units have bought tens of thousands of yuan worth of purchasing certificates. In some areas, the practice has spread from enterprises to all sectors of society.

The circular pointed out: The issuance and use of purchasing certificates in place of money can only benefit some commercial enterprises for a short while but will cause great harm to the economy. First, the practice will disrupt the banking order. Second, it will cause chaos in taxation and financial administration. Third, it encourages unhealthy tendencies as some units have been trying to create connections by offering purchasing certificates as gifts.

To maintain the normal banking order and promote the sound development of the socialist market economy, the circular stressed the necessity to adopt forceful measures to resolutely ban all units from printing, selling, buying, and using purchasing certificates. The circular called on all areas and departments, as well as all units, to immediately end the practice of printing, selling, and buying purchasing certificates. It said: Commercial enterprises are not allowed to increase their sales by selling purchasing certificates; all units are not allowed to buy purchasing certificates from commercial enterprises, nor are they allowed to issue purchasing certificates to staff members and workers or give such certificates to them as gifts; individuals are not allowed to accept purchasing certificates in place of money. Those purchasing certificates that have been issued must be used by the end of April, after which all issued purchasing certificates will be nullified. During the period between now and the end of April, the people's governments of the relevant areas must organize people to crack down on and ban black-market dealings in these certificates.

At the same time, the circular also called on people's governments at all levels to immediately organize a checkup of the units that sell and buy purchasing certificates in place of money. It said: All units should organize a checkup themselves and report the findings to the relevant competent department; after this, all units will be checked by a government-led joint checkup group and handled according to the relevant provisions. Those units which have engaged in selling, buying, and using purchasing certificates after the general offices of the party Central Committee and the State Council issued an emergency circular regarding this on 13 October 1992, and which have tried to hide their practice by refusing to report it to the checkup group shall be subject to heavy fines in accordance with the number of the certificates they have sold, bought, and used. Henceforth, should cases of selling and buying purchasing certificates occur again, the units that sold, bought, and used such certificates shall be punished. In addition, the leaders of the relevant units and the persons responsible for the practice shall be made accountable according to law, and a public notice of criticism shall also be circulated.

Circular 'Forbidding' Extra Railway Charges

HK2604034093 Beijing XINHUA Domestic Service in Chinese 0206 GMT 24 Apr 93

[Text] Beijing, 24 Apr (XINHUA)—The State Administration of Commodity Prices and the Railway Ministry jointly issued a circular a few days ago, forbidding railway stations to exact insurance charges from consumers while offering accident insurance services to passengers on a commission basis.

Recently, the circular pointed out, the State Administration of Commodity Prices and the Railway Ministry have continuously received complaints from passengers, saying that while offering accident insurance services to passengers on behalf of insurance companies, the railway stations exacted charges from the passengers and that they were not given the tickets unless they paid the charges. Such a practice has violated the relevant provisions of insurance regulations, infringed upon the interests of passengers, damaged the image of the people's railway, and created an adverse influence among the masses.

The railway is a highly monopolized trade and an important window for implementing the policies and regulations of the party and state. To maintain the seriousness of the state's policies and regulations and earnestly protect the rights and interests of the broad ranks of the masses, the following provisions are made through study:

First, as the railway tickets contain compulsory insurance, additional accident insurance should be accepted by passengers on a voluntary basis. Exaction of insurance charges or exaction in a disguised form is strictly forbidden. Another window should be set up for collecting insurance premiums, which should not be mixed with the selling of railway tickets. Otherwise, it will be

regarded as exaction of charges. Passengers must be allowed to board trains without paying an insurance premium.

Second, upon receipt of this circular, the price and railway bureaus of all provinces, autonomous regions, and municipalities should immediately conduct an overall inspection of the accident insurance services offered to passengers on a voluntary basis within the areas under their jurisdiction, strictly follow the above mentioned provisions, and sternly punish those who exact charges in violation of these provisions.

'Fake' Reminbi 'Rampancy' Continues in Guangdong

HK2604051993 Guangzhou Guangdong People's Radio Network in Mandarin 1000 GMT 19 Apr 93

[Text] Over the past couple of months, counterfeit reminbi has constantly been found in Foshan City. In the latter half of March alone, over 4,000 yuan of counterfeit reminbi was discovered in nine branches of Foshan City People's Construction Bank. A case cracked in Nanhai involved 8,000 yuan of fake reminbi. Last month Foshan's Shiwan Public Security Substation cleared up a case of counterfeit reminbi in large-denomination notes, totalling 6,500 yuan. The amount of counterfeit reminbi found in a case solved by Gaoming County's public security organs reached as high as several hundred thousand yuan.

It has been learned that among the forged reminbi notes found in Foshan City, most are in 100 and 50 yuan notes, while others are in 10 yuan notes. Some of the fake notes are skillfully printed, while others are not. The counterfeit reminbi notes discovered by Foshan City People's Construction Bank are so skillfully printed that one can hardly tell the spurious from the genuine.

Analysis has showed that the rampancy of fake reminbi in Foshan City is directly linked to the city's brisk economic activities and the circulation of large amounts of cash. Nowadays, transactions carried out by individual businessmen usually involve over 100,000 yuan, or even several hundred thousand yuan; yet these businessmen use only cash in such transactions. The circulation of large amounts of reminbi in a relatively narrow space has provided an extremely big opportunity to the manufacturers and dealers of forged reminbi. This problem is becoming more complicated when certain sales clerks in certain business sectors transfer the fake reminbi they have mistakenly received into the hands of consumers in various ways because they are afraid to shoulder the economic responsibility that may be incur. The lack of special equipment and knowledge to spot fake notes, as well as the lack of awareness to take precautions among the masses, have given rise to counterfeit reminbi in various forms.

The situation wherein fake reminbi are appearing in an endless stream has become so serious that people in certain social circles turn pale at the mere mention of the

use of renminbi in large-denomination notes. Some owners of small-scale privately run shops even refuse to accept renminbi in large-denomination notes.

These reporters suggest that relevant monetary departments work together to solve the problem of counterfeit renminbi as soon as possible, rely on and support public security organs to strike severe blows at swindlers using forged renminbi, and punish such criminals in public according to the law at an early date in order to show the deterrent force. At the same time, efforts should be taken to set up a comprehensive social precaution system which can ensure a sustained stable monetary order in the society. To prevent counterfeit renminbi from entering into circulation, these reporters also suggest that monetary departments join hands with mass media and carry out propaganda in a bid to popularize relevant legal knowledge and special skills to spot forged renminbi notes.

Foreign Exchange Dealing by Individuals Approved

*HK2704054093 Beijing CHINA DAILY in English
27 Apr 93 p 1*

[By staff reporter: "Individuals Allowed To Deal in Currencies"]

[Text] The State Administration of Exchange Control has given the green light to some financial institutions in Guangzhou and Shenzhen to conduct spot foreign currency trading for local individuals.

The go sign is flashing only to institutions in those two cities in South China for now, but it may spread across the country if the experiment is successful, said an official with the administration.

Individuals in the two cities can exchange their money with other foreign currencies according to rates on the international market through the authorized institutions.

Since the market rates keep fluctuating, and there always is a margin between the rates of different currencies, dealers can try to make a profit through buying and selling the currencies.

Analysts believed that the move will open another channel for domestic residents' investment. It is also aimed at eliminating the foreign exchange black market which has run rampant in some cities.

Chinese residents now have more foreign currency at their disposal as a result of the rapid development of foreign-funded enterprises and international tourism.

Foreign exchange savings for individuals in Chinese banks has surpassed \$10 billion, and residents are holding a huge amount of foreign exchanges in hand.

In Guangzhou alone, individual savings in foreign exchange last year reached \$1.2 billion.

Under the State's strict control of foreign exchange, individuals have no alternative but to invest in bank savings.

That has resulted in a flourishing black market, and many illegal foreign exchange trading firms are dealing in marginal foreign exchange.

Minister on Telecommunications Targets

*OW2404130593 Beijing XINHUA in English 1247
GMT 24 Apr 93*

[Text] Beijing, April 24 (XINHUA)—Hardly had Wu Jichuan been appointed minister of posts and telecommunications than he promised that China would have 100 million telephones by the end of the century, with five to six percent of households across the country owning telephones.

In provincial capitals and coastal areas, he said, each household will own one telephone.

These figures may appear nothing to outsiders, but for China's mainland, each percentage in telephone growth means adding over 10 million telephones, roughly the total number of phones in Singapore, Hong Kong and Taiwan together.

Wu, 56, said in an interview with XINHUA that with the establishment of the socialist market economy and the improvement of people's living standards, there has been an explosion in the demand for posts and telecommunications services.

Wu, a graduate of the Beijing Institute of Posts and Telecommunications, recalled that China's posts and telecommunications' annual growth rate was 4.6 percent before 1978. However, after 1985, the first time China's posts and telecommunications' growth rate surpassed that of the national economy, its growth rate has been accelerating.

The new minister said that during the seventh five-year plan period (1986-1990) the annual growth rate for posts and telecommunications stood over 20 percent. In 1992 the growth rate soared to 42 percent, and in the first quarter of this year, the growth rate hit 55.8 percent.

"Such a strong momentum of development is a pressure as well as an opportunity which presents itself once only in a thousand years," Wu said, using a Chinese idiom.

Born in central China's Hunan Province, in 1937, Wu grew up in Changsha, capital of the province. In 1965, he started his career as an official at the ministry of posts and telecommunications, with an interval of three years when he served as deputy secretary of the communist party committee in Henan Province from 1990 until March of this year.

The senior official hails the 1990s as an important decade for China to realize its strategic targets and also a key period for the development of China's posts and telecommunications.

To meet the demand for the development of posts and telecommunications from all sectors of society, he said, China will continue to welcome foreign investment and open wider to the outside world.

China only invested 3.4 billion yuan in posts and telecommunications during the 34 years before 1978, he recalled. However, last year alone the investment hit 16.2 billion yuan, and this year the investment will come to 38.2 billion yuan.

Some 80 percent of the investment come from funds accumulated by the ministry itself, with some state loans, the minister said. The rest will come from long-term loans from foreign governments and export credits.

Besides actively utilizing foreign preferential loans, he said, China will allow foreigners to invest in the posts and telecommunications' sector, except for the area of management.

Minister of Coal Industry Discusses New Job

*OW2404061293 Beijing Central Television Program
One Network in Mandarin 1100 GMT 15 Apr 93*

[Interview with Wang Senhao, Chinese minister of coal industry, by unidentified station correspondent; place and date not given; from the "Newly-Appointed Ministers" news column of the "National News Hookup" program—recorded]

[Text] [Announcer] Listeners, in this "Newly-Appointed Ministers" news column, we are going to introduce to you Minister Wang Senhao of the coal industry.

[Begin recording] [Correspondent] On 12 April, the newly-established Ministry of Coal Industry hung out its shingle. Wang Senhao, newly-appointed minister of coal industry, unveiled the shingle in person. What does the newly-appointed minister have in mind when facing the challenges of his new job? Minister Wang, is there an adjustment period for you when becoming a minister after being governor?

[Wang Senhao] Yes, of course, there is an adjustment period. But I worked in the grass roots units of the coal industry in the past. I worked in the Datong Mining Bureau for 15 years. I also worked in the Luan Mining Bureau for 11 years. In total, I worked at the front lines of the coal industry for 26 years. Later, I was appointed and served as governor of Shanxi Province for nearly 10 years. Now I am minister of coal industry. I am confident in saying that I have ample experience in my work.

[Correspondent] What is the significance of reestablishing the Ministry of Coal Industry?

[Wang] The coal industry is a basic industry having a direct bearing on the national economy and the people's livelihood. Without enough energy supplies, China cannot achieve its goal of quadrupling its GNP and promoting its economy to a higher level in the future. Therefore, the performance of our coal industry produces a direct impact on our ability to realize this goal. The coal industry is indeed a very important industrial sector. Since the structure of China's coal industry is not in a very good shape, the industry needs a unified governmental department to manage it in a comprehensive way.

[Correspondent] In the near future, what do you have in mind for developing our coal industry?

[Wang] Ah, are you referring to our next step? Yes, generally speaking, we will focus on two things. First, we will strengthen our management of coal mines across the country. What I mean is, of course, to strengthen macroeconomic control. The second thing is to provide better services to the coal industry. Our mission is to lead the coal industry in achieving major change, that is, change from the planned economy to the market economy. [end recording]

Underwater Pipeline To Link Hainan, Hong Kong

*OW2404171293 Beijing XINHUA in English 1410
GMT 24 Apr 93*

[Text] Beijing, April 24 (XINHUA)—A submarine gas pipeline, with a total length of 880 km, will be installed by 1996 to link south China's Hainan island and Hong Kong.

The pipeline will be the second-longest in the world and the longest in Asia, an official from the China National Metals and Minerals Import and Export Corporation (Minmetals) said here today.

Minmetals won the bid for the project, to be jointly invested in and developed by the China offshore oil corporation, the U.S. Arco/China Co. Ltd and the Kuwait Foreign Petroleum Exploration Corporation.

According to a contract signed here today, Minmetals will be responsible for buying the equipment, worth 190 million U.S. dollars, for the project from Japanese steelmakers.

The contract was signed by the Minmetals, Arco/China and four leading Japanese steel makers.

It is learned that over 2.9 billion cubic meters of gas will be sent to Hong Kong annually through the pipeline and 500 million cubic meters to Hainan after the project is finished.

State Follows Dangerous Goods Shipping Rules

*OW2404171893 Beijing XINHUA in English 1424
GMT 24 Apr 93*

[Text] Beijing, April 24 (XINHUA)—China has made great improvement in the packaging of dangerous export goods in recent years, with no serious accidents occurring on account of bad packaging since 1985.

An official with the State Administration for the Inspection of Import and Export Commodities said that the state adopted the international rules for shipping dangerous goods in 1985, and over the past more than seven years the state inspection organs have prevented 700 batches of poorly-packaged dangerous goods from being exported, about one percent of the total inspected.

According to the official, apart from the examination of packaging quality, the state commodity inspection organs have taken great pains to guide the packaging producers to improve their technology.

So far, they have enabled 35 domestic enterprises, compared with none before 1985, to produce top-quality packaging barrels for dangerous liquid exports and these products are up to the international first-class standards as required by the international rules for shipping dangerous goods.

Handicraft Enterprise Seeks Increased Exports

*HK2704041793 Beijing CHINA DAILY in English 27
Apr 93 p 1*

[By staff reporter Qu Yingpu "Crafty Moves To Boost Craft Sales"]

[Text] China's top arts and crafts trader is making ambitious moves on the domestic market while strengthening exports.

The China National Arts and Crafts Import and Export Corporation (CNART) based in Beijing is planning to set up a company soon to sell famous brand foreign products on the Chinese market, said CNART President Liu Peijin.

The planned share-holding company will launch sales outlets in all major Chinese cities, Liu said.

Currently, the corporation is already the sales agent of Pepsi shoes, bags and garments, Walter Disney goods for children, Manhattan men's garments, and Wyeth baby food of America.

CNART is also sales agent of Ella Bache cosmetics of France, and Italian brands handled by the corporation include Benetton products, Paul & Shark items for men, Laura Dana leather goods and Vanita cosmetics.

Last year, the corporation sold 43 million yuan (\$7.5 million) worth of the above brands through its several dozen outlets in China.

The success has attracted more international companies to CNART to help them develop the huge Chinese market, Liu said.

The corporation is negotiating with several other world famous companies for similar business, he said, but declined to give details.

With co-operation from Chaoyang District, eastern Beijing, plans are to start soon for the construction of a shopping complex that will sell international goods, and an office building each will cover a floor space of more than 20,000 square metres.

CNART, ranked 12th among China's best foreign trade companies and seventh biggest exporter last year, with a total trade volume of \$1.46 billion, is expected to generate an export volume in 1993 to exceed last year's \$1.26 billion, he said.

In the first three months of this year, the corporation already achieved an export volume of \$220 million, an increase of 3 percent over the same period last year.

To maintain a steady export growth and improve its corporation will adopt later this year a new contract system with its 23 branch companies in the United States, Germany, Britain, Italy, Australia, the United Arab Emirates, the former Soviet republics, and Hong Kong.

Under the new system, managers of the overseas operations will enjoy autonomy of their business management but have to guarantee a growth of assets.

Liu said CNART will also focus on developing new markets, such as in some Latin American countries which do not have diplomatic relations with China.

The corporation will further diversify its imports this year to boost purchases of petroleum, timber and building materials, he said.

While keeping foreign trade as its key business, the corporation and its overseas operations will also emphasize development on the domestic market in manufacturing and real estate, Liu said.

The corporation has already bought more than 50,000 square metres of land for development in Kunshan, Wujiang and Suzhou in Jiangsu Province and Yantai, Shandong Province.

Training Program for Farmers Planned

*OW2604144093 Beijing XINHUA in English 1410
GMT 26 Apr 93*

[Text] Beijing, April 26 (XINHUA)—China plans to arm at least 3 million farmers with managerial and farming know-how by the year 2000, an agricultural official said today.

The plan was announced by Mao Ruda, director of the Education Department under the Ministry of Agriculture at an international seminar on farmer vocational technical education which opened in Beijing.

Chen Jianhua, a department official, told XINHUA the ministry will contribute one million yuan this year (nearly 20 million U.S. dollars) to the pilot "Green Certificate" program for farmer technical qualification training in 50 counties.

Under the plan about two or three farmers in every village will have received farming technical training by the year 2000. They will be able to hand on the advanced farming techniques to others in their villages.

Chen said nearly 50 officials in charge of the program in the 50 counties will be sent to Germany for training.

Speaking at the four-day seminar, the Vice Agricultural Minister Hong Fuzeng told 40 experts and officials from nine countries that China started rather late with farmer vocational technical education when compared with advanced countries such as Germany and Australia.

The vice minister said the program was an important part of China's modernization drive and for world agricultural development.

China has run the Green Certificate program on trial basis in about 200 counties since 1990, and about 40,000 of the 110,000 farmers trained were awarded qualification certificates.

The program has become popular after the trained farmers earned more money from applying their new skills, said Chen Jianzhang.

The program has won support from many provincial governments. East China's Zhejiang Province and North China's Hebei Province each contributed one million yuan to their Green Certificate programs last year.

Chen said the municipal government of Beijing, north-east China's Heilongjiang Province and other provinces also allocated funds to the program this year.

The seminar, which was financed by United Nations Development Program, was sponsored by the Ministry of Agriculture and China International Center for Economic and Technological Exchange.

East Region

Communiqué on Jiangsu's 1992 Statistics

OW2504034093 Nanjing XINHUA RIBAO in Chinese
31 Mar 93 p 8

[Undated communiqué: "Statistical Communiqué by the Jiangsu Province Statistical Bureau on 1992 Economic and Social Development"]

[Text] In 1992, under the correct leadership of the CPC Central Committee and State Council, party committees and governments at all levels across the province conscientiously implemented the important remarks made by Deng Xiaoping during his southern tour and the spirit of the plenary session of the Political Bureau and the 14th party congress. They relied on the cadres and masses to implement the development strategy of "making three things the basis and accelerating development in four areas" put forward by the provincial CPC committee and government, emancipated their minds, raised their spirits, and worked hard as one, thereby ushering in a new stage of development in the province's reform, opening up, and economic construction. Gratifying progress was made in all fields and a good situation never seen before emerged, thus laying a good foundation for pushing the province's economy to a new level in the nineties. According to preliminary statistics, the annual gross domestic product [GDP] was 189.6 billion yuan, up 27 percent over the previous year. The value-added amount of the tertiary industry, which accounted for 22.7 percent of the total GDP, was 43 billion yuan, up 26.1 percent. The major problems in the economic performance were: some factors in agricultural development were unstable, "bottleneck" restraints caused by major production factors tightened up, efficiency of the industrial economy as a whole was still low, and construction of development zones and housing development in a few regions were not well planned.

I. Agriculture

In 1992, the rural household contract responsibility system with remuneration linked to output was further improved and the construction of various forms of agricultural service systems was vigorously promoted in rural areas across the province. Comparatively good harvests were registered in agricultural production. The value-added amount of the agricultural sector for the whole year was 38.034 billion yuan, up 7.4 percent over 1991, which accounted for 20.1 percent of the GDP. Prices of agricultural capital goods rose rather rapidly and the financial burden of peasants was still rather high in some regions.

Steady increase was registered in agricultural production. Among the major farm products, grain output reached 33,205,500 metric tons, an increase of 2,851,000 metric tons compared with 1991, thus reaching the highest production level since 1987. Affected by natural disasters in later stages of growth, cotton production

dropped a bit. The output of oil-bearing crops hit a record high, and the output of sugar crops, tobacco, and fruits all rose over the previous year.

The structure of farm crops was adjusted, and the share of high-quality grain raised. The proportion of cash crops accounted for 16.4 percent of all the planted farmland. The output value of forestry, animal husbandry, sideline production, and fisheries accounted for 47 percent of the total agricultural output value. The secondary and tertiary sectors accounted for over 80 percent of the total product of rural areas.

Output of Major Farm Products

	1992 (metric ton)	Increase Over 1991 (Percent)
Grain	33,205,500	9.4
Cotton	527,400	-5.3
Oil-bearing crops	1,273,300	11.6
of which: rape-seed	958,800	12.4
Sugar crops	247,900	54.0
Tobacco	10,500	41.9
Hemp	13,300	-33.0
Silkworm cocoons	146,000	12.2
Tea	14,100	6.8
Fruits	565,800	23.1

New success was made in forestry and afforestation. The new afforested area in 1992 was 249,000 mu.

An overall increase was registered in animal husbandry.

Output of Major Animal Products and the Amount of Livestock

	1992	Increase Over 1991 (Percent)
Pork, beef, and mutton	1,724,000 metric tons	5.6
of which: beef and mutton	114,800 metric tons	11.6
Cow milk	115,400 metric tons	15.1
Pigs slaughtered	22,462,400 head	5.2
Pigs in stock (year-end figure)	19,690,700 head	5.9
Sheep and goats in stock (year-end figure)	8,737,100 head	5.0
Large animals in stock (year-end figure)	966,800 head	3.7
Poultry and eggs	1,116,900 metric tons	13.6

Fishery production also rose. Aquatic production for the whole year was 1,346,900 metric tons, up 14.7 percent over 1991; of which the output of freshwater products

was 924,100 metric tons, up 15.8 percent; and that of marine products was 422,800 metric tons, up 12.4 percent.

Improvement was further made in the conditions for agricultural production. By the end of 1992, the aggregated power of the province's farm machinery reached 20,160,700 kw, a growth of 2.5 percent over the figure at the end of the previous year. There were 20,700 large and medium tractors, an increase of 3.5 percent; 724,100 small and walking tractors, a drop of 0.3 percent; 16,200 trucks, up 1.9 percent; and irrigation and drainage equipment with a total power capacity of 4,945,700 kw, up 0.3 percent. A total of 2,469,000 metric tons of chemical fertilizers (100 percent effective content equivalent) was applied in the year, a growth of 3.6 percent. Rural consumption of electricity in the year was 14,646 million kwh [kilowatt-hours], up 20.5 percent.

The rural economy continued to develop in an all-around way. In 1992, the province's village and township enterprises saw rapid development in the course of readjustment. Nonagricultural economic activities, such as rural industry, construction, transportation, trade, and catering services, rose 70 percent over the previous year, and their proportion of the rural economy rose from 74.9 to 81.6 percent.

II. Industry and Construction

In 1992, with the implementation of the "Regulations on Transformation of Management Mechanisms for State-Owned Industrial Enterprises" throughout the province, industrial reform developed in depth and scope. The market's role was enhanced and investment demand picked up rapidly. These contributed to the high-speed growth of industrial production. Total industrial value for the year was 98.05 billion yuan, up 35.8 percent over the previous year and accounting for 51.7 percent of the GDP, of which the value added for township-run industrial units was 25,159 million yuan, up 56 percent over the previous year.

The vitality of state-owned enterprises, especially large and medium enterprises, has been strengthened. The total industrial value added by state-owned enterprises for the year was 33,973 million yuan, up 33.3 percent over 1991. The value added by large and medium industrial enterprises for the year was 35,894 million yuan, up 34.7 percent; the value-added by collective industrial enterprises was 37,447 million yuan, up 43.9 percent; that of the Sino-foreign joint ventures, cooperative, and solely foreign-owned enterprises was 4,652 million yuan, up 57 percent.

Development of heavy industry was faster than that of light industry. The value added by light industrial departments at the township level or higher was 31,976 million yuan, up 32.9 percent; that of heavy industry, 44,096 million yuan, up 45 percent.

The output of major industrial products experienced different degrees of increase.

Output of Major Industrial Products		
	1992	Increase over 1991 (Percent)
Yarn	558,800 metric ton	-0.6
Cloth	2,904 million meters	7.5
Woolen goods	116,480,900 meters	33.6
Machine-made paper and paperboard	887,500 metric ton	10.1
Crude salt	2,446,100 metric ton	104.3
Synthetic detergents	156,900 metric ton	1.6
Household washing machines	286,500	70.5
Household refrigerators	65,400	-32.1
Electric fans	10,844,300	4.9
TV sets [total]	6,026,000	18.0
Color TV sets	1,696,600	46.6
Raw coal	24,577,600 metric ton	0.5
Crude oil	916,000 metric ton	1.5
Amount of refined crude oil	8,954,600 metric tons	4.9
Electricity	48,115 million kwh	9.0
Steel	2,707,800 metric ton	23.3
Rolled steel	3,875,100 metric ton	56.4
Pig Iron	1,640,800 metric ton	5.0
Cement	22,755,900 metric ton	24.8
Plate glass	3,791,800 boxes	15.1
Sulfuric acid	1,401,800 metric ton	8.2
Soda ash	381,900 metric ton	87.8
Caustic soda	378,700 metric ton	8.4
Power-generating equipment	324,500 kw	-26.3
Metal-cutting machine	tools 27,800	31.0
Motor vehicles	101,500	58.4
Tractors (large and medium)	1,800	57.3
Chemical fertilizers (100 percent effective content equivalent)	1,446,300 metric ton	-1.8
Chemical insecticides	54,200 metric ton	2.4
Chemical fibre	550,900 metric ton	14.4

Industrial economic efficiency picked up steadily. In 1992, the comprehensive economic efficiency index of industrial enterprises as independent accounting units at the township level or higher rose from the previous year's 77.6 to 89.3. Of this, the profit-capital ratio rose from 8.3 percent to 10 percent; the profit-cost ratio was

up from 2.6 to 4 percent; the turnover period of circulation funds rose from 1.8 to 1.9 times per year; and labor productivity (accounted by net output value) was up 35.2 percent. Revenues from sales of industrial enterprises at the township level or higher registered a net increase of 75,587 million yuan, a growth of 35.7 percent; the total amount of profits and tax registered a net increase of 7,674 million yuan, up 46.4 percent. However, the stock of manufactured products was high and production-sale rate was still unsatisfactory.

Rapid progress was registered in the construction industry. In 1992, with the rapid growth of investment in fixed assets and the deepening reform of construction industry, the production of construction enterprises speeded up markedly. The value added figure to the construction industry for the whole year was 10.5 billion yuan, up 35.2 percent over the previous year. All-personnel labor productivity for state-owned construction enterprises was 24,459 yuan per person, up 47.9 percent over 1991. The quality of construction projects been improved to some extent.

III. Investment in Fixed Assets

Investment in fixed assets increased by a large margin. The completed investment in fixed assets by the province's state-owned and urban collective units for the whole year was 34,332 million yuan, up 72 percent over 1991 (in addition to that, investment completed by rural collectives and urban individuals amounted to 34,564 million yuan). Of which, investment by state-owned units was 28,799 million yuan, up 67.4 percent; that by collectively owned units at the city level or higher was 5,523 million yuan, up 101.1 percent. The capital construction and technical updating and transformation projects of state-owned units worth over 50,000 yuan numbered 8,432, or 1,038 projects more than for the previous year. Viewed as a whole, the industry had experienced a quick recovery; the investment period of a recovery type nature basically came to an end.

Among the investment of state-owned units, investment in capital construction was 15,584 million yuan, up 69.2 percent over the previous year; investment in technical updating and transformation projects was 9,100 million yuan, up 59.1 percent; and investment in the construction of commercial buildings was 3,042 million yuan, up 76.6 percent.

There was improvement in the investment pattern and the proportion of investments in tertiary industries rose. Of the investment of state-owned units, investment in tertiary industries was 13.18 billion yuan, up 98.6 percent. As a proportion of investment, it rose to 45.8 from 38.6 percent in 1991. Of this amount, investment in transportation and telecommunications projects was 4,252 million yuan, up 97.6 percent; and in cultural, educational, public health, radio and television broadcasting undertakings, 1,421 million yuan, up 57.9 percent. Investment in agriculture and the energy and raw

and semi-finished materials industries rose rather fast; their respective growth rates were 26.1, 30.9, and 37.1 percent.

Among investment in technical updating and transformation projects, investment aimed at increasing variety, raising product quality, improving energy efficiency, and minimizing waste gas, waste water and waste slags amounted to 3,107 million yuan, up 57.8 percent over the previous year.

Continued efforts were made to speed up the construction of key state projects. In 1992, investment of 6.83 billion yuan was spent on 75 large and medium capital construction projects as well as large technical updating and transformation projects, overfulfilling the annual investment plan. Four large and medium capital construction projects and 11 large technical updating and transformation projects were completed and put into operation. The key large projects that were completed or partially completed and put into operation included construction projects like the 500,000-volt superhigh transmission project between Fanchang and Doushan, the second phase of the Yizheng chemical fibre project, the Qishuyan power station, the Beihekou water works in Nanjing, the Wuxi water supply project, the Nantong Port, and Xuzhou Mining Bureau and large technical updating and transformation projects at Nanjing Machine Tool Plant, Xinyuan Company in Wuxi, Wuxi Steel Mill, Wuxi Coking Plant, Huaiyin Electrochemistry, Jiangshan Pharmaceutical Plant, and Dadong Paper Mill in Zhenjiang.

New increases in production capacity included: 472,900 kw of power, 615.08 km of power transmission lines, annual coal cleaning capacity of 600,000 metric tons, 830,400 metric ton of urban water supply, and 10.998 million metric ton of cargo-handling capacity of harbors.

IV. Transport, Posts and Telecommunications

The transportation and communications, posts and telecommunications sector registered a steady growth. The value-added figure for the whole year was 8,714 million yuan, up 15.5 percent over 1991 and accounting for 4.6 percent of the GDP. Volume of freight and passenger transportation by all modes of transportation registered some increase over the previous year. The problem of the transportation capacity lagging behind the economic and social development remained an acute contradiction.

Volume of transport by various means:

	1992 (million)	Increase Over 1991
Volume of freight transport	59,519 metric ton-km	8.6
Railway	33,385 metric ton-km	10.6
Highway	2,460 metric ton-km	12.4
Waterway	19,880 metric ton-km	7.8
Pipelines	3,794 metric ton-km	-4.9

Volume of transport by various means: (Continued)		
	1992 (million)	Increase Over 1991
Volume of passenger transport	33,245 person-km	9.4
Railway	14,753 person-km	11.3
Highway	18,100 person-km	8.2
Waterway	329 person-km	-4.2
Cargo handled at major coastal ports	191 metric tons	9.5

The development of posts and telecommunication service accelerated, with business transactions in 1992 amounting to 2.04 billion yuan, up 51.3 percent over the previous year. The growth rate of express mail service, radio paging and mobile telephone services exceeded 90 percent. The expansion of long distance and urban telephone service speeded up noticeably. The number of long-distance lines increased by 16,586. The capacity of urban telephone switchboard increased by 223,500 channels, that of the program-controlled telephone exchanges increased by 333,300 to 770,800 channels, accounting for 82.1 percent of the urban telephone channels as compared to 61.2 percent in the previous year. The number of urban telephone subscribers increased to 656,400 by the end of the year, up 56.1 percent; of which, 524,000 subscribers had direct access to long-distance lines, up 107.9 percent. However, the problem of insufficient capacity in communications was still prominent, although fairly rapid progress was made in the posts and telecommunications business in recent years.

V. Domestic Commerce and Market Prices

Steady growth was registered in consumer goods. In 1992, as reform in the circulation field deepened, consumer goods enjoyed steady but brisk sales. The total value of retail sales of commodities for the whole year was 80.254 million yuan, up 20.6 percent over the previous year, or a real growth of 15 percent if price increases were deducted. The retail sales of consumer goods were 62.516 million yuan, up 21.3 percent, of which 7.936 million yuan worth of consumer goods were sold to institutions, an increase of 26.4 percent. The retail sales of agricultural means of production reached 9.802 million yuan, up 12 percent. The retail sales of consumer goods at urban markets reached 36.447 million yuan, a rise of 29.4 percent over the previous year, while sales at rural markets were 26.546 million yuan, a growth of 15.9 percent.

An overall increase was registered in retail sales of commodities by commercial enterprises of all economic forms. Sales of the state-owned retail units rose to 29.281 million yuan, up 24.9 percent; the sales of the collective units grew by 14 percent to 32.596 million yuan; the sales of individual units rose 27.2 percent to 11.349 million yuan; and farm sales to nonagricultural residents increased 24.2 percent to 6.717 million yuan.

Brisk sales and purchases were reported in capital goods. In 1992, enterprises in the province's circulation field procured 73.1 million yuan of capital goods, an increase of 35.6 percent over the previous year, and sold 75.98 million yuan of goods, an increase of 34 percent, which included 39.228 million tonnes of coal, 8.786 million tonnes of steel products, 3.991 million tonnes of cement, and 0.069 million cars.

In 1992, the pace of price reform stepped up. The proportion of commodity prices regulated by market forces further increased, and notable improvement was made in pricing mechanism. The index of retail prices in the province saw an increase of 4.8 percent, which was within the target of macro-economic control. However, the increase of commodity prices in urban areas was relatively high, and the increase of price index of living costs for urban residents was also on the high side.

The changes in prices of commodities and services in 1992 as compared with 1991 were as follows (Percent):

1. Cost of living for [all] residents	6.6
urban residents	8.8
rural residents	4.4
2. Retail prices [as a whole]	4.8
Consumer goods	5.1
Food	7.1
Grain	35.1
Edible vegetable oil	7.7
Clothing	3.8
Articles for daily use	1.6
Culture and entertainment	-4.9
Books, newspapers, magazines	2.2
Medicine and medical goods	10.6
Building and decorating materials	5.1
Fuels	14.2
Agricultural means of production	2.9
3. Services [as a whole] 23.0	
Urban areas	24.7
Rural areas	19.7
4. Energy, raw, and semifinished materials (purchasing price)	10.2
5. Manufactured goods (factory price)	3.8
6. Farm and sideline products (procuring price)	2.8

VI. Foreign Economic Relations

In 1992, the province saw unprecedentedly active economic relations with the outside world, and its outward-oriented economy developed by leaps and bounds in an unconventional way. A structure that opened the province in all directions, at different levels, and with due emphasis began to take shape.

A fairly rapid increase was registered in imports and exports. The total value of exports was \$4.671 million, up 35 percent, of which the value of imports rose 51.4 percent to \$1.581 million. The mix of imports and exports further improved, with the proportion of exported manufactured industrial goods rising to 87 percentage points and the import of raw and semifinished materials as well as equipment in shortage in the country rising significantly. Exports by Sino-foreign joint ventures and cooperative and solely foreign-owned enterprises rose sharply to \$1.310 million, a 1.9 time increase over the previous year—accounting for 28 percent of the total value of the province's exports.

Unprecedented advances were made in the utilization of foreign capital. In 1992, the province signed 8,276 new agreements for using \$7.796 million in foreign capital, a 5.4-fold increase over the previous year. In addition, \$7.796 million of foreign capital was negotiated, a 5.3-fold increase over 1991. Newly approved Sino-foreign joint ventures and cooperative and solely foreign-owned enterprises numbered 8,194—3.6 times that of the total approved for the previous 11 years. The amount of contracted foreign capital was \$7.690 million, a 8.8-fold growth over the previous year. Foreign capital actually utilized during the year was \$1.722 million, an increase of 2.6 times. Of the utilized foreign capital, \$1.470 million was in the form of direct foreign investments, a 5 fold increase.

Economic and technical cooperation with foreign countries made notable progress. Construction projects and labor projects contracted by the province with foreign Countries numbered 263, 93 more than the previous year; and the value of the contracted projects totaled \$217 million, up 104 percent. The accomplished operational revenue reached \$147 million, up 46.3 percent. A total of 118 overseas nontrade enterprises were approved in 1992.

International tourism continued to grow. In 1992, the province received 808,400 overseas tourists who came to Jiangsu for sightseeing, visiting, or various other activities, 28.5 percent more than for the previous year. The number of foreign tourists rose 24.2 percent; Overseas Chinese, 170 percent; Hong Kong and Macao compatriots, 39.3 percent; and Taiwan compatriots, 19.2 percent. The income in foreign exchange from tourism was 610 million yuan (in foreign exchange certificates), up 22.9 percent.

VII. Finance, Banking, and Insurance

In 1992, the province's state revenue was 15.23 billion yuan, increasing 17.3 percent over the previous year as calculated in terms of comparable items. The above amount contained various kinds of taxes totalling 14.548 billion yuan, an increase of 15.5 percent. Total expenditures were 12.592 billion yuan, increasing 12.1 percent. In 1992, the situation concerning the implementation of the state budget was quite good, with state revenues

exceeding expenditures, overfulfilling the annual budgetary plan. However, the amount of expenditures for policy consideration was quite large and there were still some problems in financial revenues and expenditures.

The financial situation was basically stable. In 1992, the total balance of various deposits of financial organizations was 142.26 billion yuan, increasing 28.787 billion yuan over the amount at the beginning of that year. The total balance of various loans was 147.042 billion yuan, increasing 24.202 billion yuan over the amount at the beginning of that year. The amount of increase of deposits was greater than the amount of increase of loans. The amount of the net money supply for the whole year was 9.317 billion yuan, increasing 5.639 billion yuan over the previous year.

The insurance business developed relatively quickly. In 1992, the total premium for properties handled by people's insurance companies in the province was 336.6 billion yuan, increasing by 24.3 percent. Some 68,800 enterprises participated in enterprise property insurance, 14.293 million households insured their family properties, and 20.65 million people participated in life insurance programs. Various insurance companies handled some 418,000 cases of claims for property losses and paid indemnities totalling 587 million yuan, and handled some 1.92 million cases of life insurance and paid a total of 220 million yuan of indemnities.

VIII. Science, Education, Culture, Public Health, and Sports

New achievements were made in scientific and technological work, having played an active role in accelerating economic development in the whole province. In 1992, various units in the province received 13 invention prizes, 22 science-technology progress prizes and nine spark program prizes at the state level; they also received 428 science-technology progress prizes at the provincial level, including two first class prizes, 31 second class prizes, 152 third class prizes, and 243 fourth class prizes. The State Patent Office received 4,218 applications for patent rights and granted 2,086 patents, increasing by 41 percent over that of the previous year.

The ranks of scientists and technicians continued to expand. In 1992, 1,146,900 scientists and technicians were employed by local state-owned enterprises and undertakings, increasing 4.2 percent over the previous year.

New progress was made in developing general education. In 1992, various schools of high learning in the province enrolled 2,372 graduate students. There were 6,802 graduate students studying, increasing by 234 graduate students over the previous year. Universities and colleges enrolled 51,700 students, and the total student body was 152,700, increasing 8,000 students over the previous year. Various vocational and technical schools had a total attendance of 198,200 students. The figures constituted 46.3 percent of the total number of students in senior middle schools. In 1992, there were 2,946,400

students in middle schools and 5,850,100 pupils in primary schools. The attendance rate of school-aged children in primary schools reached 99.5 percent. Much headway was made in kindergarten education and in special education for the physically disabled and mentally retarded children.

New progress was also made in adult education. In 1992, various adult schools of higher education in the province enrolled 24,100 students. There were 66,800 students studying at those schools, a decrease of 2,300 students. A total of 103,400 students were studying in various secondary adult schools, increasing by 400 students over the previous year. There were a total of 768,500 students in adult junior middle schools and adult primary schools. In 1992, 470,000 people completed basic literacy courses.

Cultural undertakings continued to develop. By the end of 1992, there were 4,524 film-projection units, 136 art troupes, 110 cultural halls, 62 museums and 16 publishing houses in the province. The province had 30 radio broadcasting stations, 20 radio transmitting and relaying stations, 28 television stations, and 144 television transmitting and relaying stations. In 1992, 3,341 kinds of books with a total printing of 347 million copies and 312 kinds of magazines with a total printing of 60.45 million copies were published in the province. Provincial newspapers issued a total of 1.274 billion copies last year.

Public health work made further progress. In 1992, there were 12,277 public health units in the province, decreasing by 100 units as compared with the previous year. There were 170,200 beds for sick people, of which 150,700 were hospital beds, an increase of 2,200 beds. Full-time health workers numbered 228,900, increasing by 3 percent over the previous year. Of the above health workers 104,300 were doctors, an increase of 2.3 percent, and 57,600 were senior and junior nurses, an increase of 2.7 percent. There were 279 health clinics and stations for preventing and controlling infectious diseases, with 8,299 full-time workers, an increase of 2.5 percent over the previous year.

New achievements were made in sports. At the 25th Olympic Games in Barcelona, athletes from this province won one gold medal and three silver medals. At major international competitions last year, three athletes from this province won nine championships or world cup contests. Requirements for the National Standards for Physical Exercise were met by 73 percent of students of various types of schools.

IX. Population and People's Lives

Population growth was brought under control to some extent. According to a 1992 sample survey on the change in population, the province's birth rate dropped from 17.05 per thousand in 1991 to 15.71 per thousand, and the death rate rose from 6.5 to 6.76 per thousand, resulting in a natural growth rate of 8.95 per thousand as compared with 10.55 per thousand in the previous year.

It was estimated that the total population of the province was 69,112,000 by the end of 1992, an increase of 675,000 over the figure at the end of 1991.

The income of residents increased rather rapidly. Data from a sample survey showed that the annual per-capita income of urban residents that could be used as living expenses was 1,937 yuan in 1992, up 19.3 percent over 1991, or a real growth of 9.7 percent allowing for price rises. The per capita net income of farmers was 1,060.7 yuan, up 15.2 percent, or a real growth of 10.4 percent allowing for price rises. Living standards in quite a few regions were still rather low.

New achievements were gained in various reforms in the labor field. A total of 213,400 people were given jobs in cities and towns. By the end of the year, the unemployment rate in cities and towns was 2 percent. The number of workers employed on a contract basis was 2,366,900, accounting for 26.2 percent of the total number of staff and workers in cities and towns. Over 5,558,400 staff and workers and 1,094,600 retired people across the province took part in the unified old-age pension system. By the end of 1992, staff and workers in the province numbered 9,040,900, or 48,200 more than at the end of 1991. There were 236,300 self-employed or workers employed by private enterprises in cities and towns, 17,100 persons more than at the end of 1991.

The wage level of staff and workers further improved. The total wage bill of staff and workers in 1992 was 25.151 million yuan, up 23 percent over 1991. The average wage of staff and workers was 2,800 yuan per person, up 21.6 percent, a real growth of 11.8 percent allowing for price rises.

Savings deposits continued to increase in both urban and rural areas. By the end of 1992, the savings deposits of residents totaled 76.611 billion yuan, an increase of 15.006 billion yuan or 24.3 percent over that at the end of 1991. The purchase of various kinds of negotiable securities increased noticeably.

Urban and rural living conditions further improved. By the end of 1992, the per capita living space in cities and towns was 10 square meters, up 0.37 square meters over 1991. Per capita living space in rural areas was 23.6 square meters, up 0.3 square meters.

Accelerated achievement was also registered in environmental protection. By the end of 1992, there were 40,000 people working in the provincial environmental protection system that encompassed, among others, 87 monitoring stations at various levels, 16 state or provincial nature reserves, and 3 state forestry parks. The number of projects combating environmental pollution which were completed within the specified time amounted to 227, absorbing a total investment of 77 million yuan. By the end of 1992, soot-control zones covering 492.75 square km were set up in 11 cities directly under the provincial government as well as in Changshu and Taizhou Prefectures, and there were another 53 zones

covering 115.44 square km in 10 cities where noise pollution was brought down to specified levels. NOTES:

(1) Value-added figures are used in this communique in place of figures for total industrial output value, agricultural output value, and national income. The chief purpose for this is to bring these figures into line with the GDP figures; this represents a step towards a new accounting system and will make things easier in making international comparisons. Value-added is the sum of material goods and services which can be used by an end consumer. As it does not include intermediate consumption or transfer prices, it can truly reflect the product of the activity of the whole society.

(2) The GDP and value-added figures for all industries quoted in the communique have been calculated at current prices, whereas growth rates were calculated at comparable prices.

(3) The GDP and value-added figures for various industries include employees compensation, profits, taxes, depreciation and so on. They do not include the intermediate consumption of energy and raw materials. The major difference between GNP and GDP is that the former includes the net factor of income from abroad, while the latter does not.

Shanghai Succeeds in 14 Key Industrial Projects

*OW2704023093 Beijing XINHUA in English 0149
GMT 27 Apr 93*

[Text] Shanghai, April 27 (XINHUA)—Shanghai, China's leading manufacturing center, has completed 14 key industrial research and development projects in the past five years, local officials reported.

The 14 key research and development projects, starting in 1988, include the Santana car, program-controlled telephone exchange boards, optical fiber telecommunications, thermal power equipment, nuclear power equipment and color television tubes. Chinese leaders Jiang Zemin and Zhu Rongji led efforts in tackling the projects when they were working in Shanghai.

Latest statistics show that the 14 projects, after being put into operation, have produced great economic returns. In 1992 they produced an output value of 17.2 billion yuan, profits and taxes of 5.86 billion yuan and saved and earned foreign exchange worth one billion U.S. dollars.

The research and development project on the Santana car has raised its localization level to 75.3 percent, the annual output to 65,000, the sales volume to 10 billion yuan and profits and taxes to five billion yuan.

The 13 telecommunications enterprises in Shanghai, equipped with newly developed technologies of program-controlled exchanges and optical fiber telecommunications, yielded an output value of 3.4 billion yuan in 1992. Program-controlled telephone exchanges, which

were formerly assembled from 100 percent imported parts and components, have realized a 57 percent localization rate.

A new power industry has come into being thanks to the efforts of 4,800 scientists and engineers in Shanghai. They have commanded the advanced technologies of thermal power, nuclear power, and power station control systems, and manufacture of nuclear power equipment. The power equipment manufactured in Shanghai has been marketed abroad. Localization level of the power equipment has reached 92 percent.

Among 559 research and development subjects, 50 have reached international advanced level. Ninety four have been developed in China and 245 have reached an advanced domestic level.

Southwest Region

Tibet Standing Committee Approves Economic Laws

*OW2404064493 Beijing XINHUA in English 0628
GMT 24 Apr 93*

[Text] Lhasa, April 24 (XINHUA)—The Standing Committee of the Tibet Autonomous Regional People's Congress will continue to pay much attention to economic legislation to meet the increasing demand of building the socialist market economy.

The committee approved seven regional laws and regulations in 1992, five of which involved in economy.

A regional government official said that these laws and regulations provided the legal basis for land administration, protection of environment, wild animals and other aspects of tibet.

The official said that the Tibet People's Congress also paid much attention to inspecting the implementation of regulations.

According to the official, a series of regional laws and regulations on the economy have been put on agenda of people's congress, and will be put into effect during the period of the Eighth Five-Year Plan period (1991-1995).

Yunnan Secretary Addresses Party Plenum

HK2604150393 Kunming Yunnan People's Radio Network in Mandarin 1000 GMT 20 Apr 93

[Excerpt] The Fifth Yunnan Provincial CPC Committee held its Fourth Plenary Session in Kunming yesterday afternoon to study Yunnan's current economic development, structural reform in party and government organs, and personnel arrangements for the provincial People's Congress, provincial government, and provincial CPPCC at the change of sessions. The general spirit of the meeting was to act in accordance with the arrangements made by the Second Plenary Session of the 14th CPC Central Committee and the First Session of the

Eighth National People's Congress; to continue implementing the 14th party congress guidelines in an active, comprehensive, and correct way; to seize the favorable opportunities to step up development and forge ahead in unity, and to strive to push Yunnan's economy to a new level.

He Zhiqiang, provincial deputy party secretary and governor, presided over yesterday afternoon's meeting. Entrusted by the provincial party committee standing committee, provincial party Secretary Pu Chaozhu delivered a work report entitled "Seizing the Favorable Opportunities, Accelerating the Pace of Development, and Pushing Yunnan's Economy to a New Level."

Pu Chaozhu first reviewed the work of the provincial party committee since the Third Plenary Session of the fifth provincial CPC Committee. He said [words indistinct] and carefully resolve major problems currently existing in economic work. In drawing up plans for future economic work, he called for efforts to persistently place agriculture in a primary position. He also urged viewing the strengthening of capital construction in communications, energy, and [words indistinct] as a key task.

In his report, Pu Chaozhu repeatedly stressed that rapid development of township and town enterprises is crucial to Yunnan in its bid to develop its economy and bring a fairly comfortable life to its people by the year 2000. He said: It is necessary to do two types of work simultaneously while attaching equal importance to both, to vigorously strengthen the overall control of public security, and to create a stable social environment for reform, opening up, and economic construction.

In discussing future tasks, Pu Chaozhu said: At the present stage, we are faced with a favorable opportunity for speeding up economic development. We should firmly seize this opportunity with a sense of the urgency of our time, treasure this opportunity with a sense of historic responsibility, and make good use of this opportunity with a scientific attitude. We should give full play to our subjective initiative and creativity, seize favorable opportunities, race against time, take big strides, push the national economy to a new level, and ensure the quadrupling of the 1980 GNP ahead of schedule and bring a fairly comfortable life to our people by 2000. [words indistinct]

Pu Chaozhu then put forward the following eight tasks for our future work:

1. Earnestly strengthen the primary position of agriculture, and rejuvenate the rural economy in a comprehensive way;
2. Speed up the pace of infrastructure construction, and reinforce potential forces for economic development;
3. [words indistinct];
4. Act in accordance with the principle of "three mainly relies," specifically, mainly rely on the development of

township and town enterprises; mainly rely on tapping the potential of existing enterprises through transformation and the intensive form of enlarged reproduction, and mainly rely on introducing overseas funds to merge and renovate old enterprises; and speed up the development and technical progress of these enterprises;

5. Expand opening up and develop an export-oriented economy;
6. Persistently rely on education, rejuvenate border areas through the application of science and technology, and closely integrate science, technology, and education with economic growth;
7. Conscientiously do a good job in the reform of party and government organs and develop the socialist market economy; and
8. Attach importance to and strengthen the building of the socialist democratic and legal system and consolidate and promote a stable social and political environment.

When talking about party building, Pu Chaozhu said: To fulfill the tasks set forward by the 14th party congress and promote Yunnan's economy in a faster and better way, it is crucial to [words indistinct] give better play to the role of the party as the core of the leadership. It is a very important task in party building to arm the entire party with the theory of building socialism with Chinese characteristics. It is necessary to earnestly strengthen the construction of leading bodies, regard it as a major issue to improve the work style of the party and build a clean government, and further reinforce the party's grass-roots construction. [passage omitted]

North Region

Beijing Secretary Inspects Railway Station
SK2604091793 Beijing BEIJING RIBAO in Chinese
14 Apr 93 p 1

[By reporter Zhang Hongxin (1728 4767 2450): "The West Railway Station Project in Full Swing"]

[Excerpts] Chen Xitong, secretary of the municipal party committee; Li Qiyan, mayor of Beijing; and Zhang Baifa, Wang Baosen, Duan Bingren, Qiang Wei, Tie Ying, and Huang Jicheng, municipal leaders, went to the worksites of the Beijing West Railway Station and the east third ring road renovation project on the morning of 13 April to hear reports on the progress of the projects and inspect the worksites.

Chen Xitong, Li Qiyan, and their party first went to the headquarters of the West Railway Station project to hear reports given by Wang Zongli and Zhang Shouyan, deputy chief engineers of the project, and other comrades. They also looked over the sand table of the plan of

the West Railway Station and the model of the municipal construction. While listening to the reports, Comrade Chen Xitong asked with deep concern the responsible persons of railway departments who were present about the construction of the railway between Beijing and Kowloon of Hong Kong. Hearing that both the Beijing-Kowloon Railway and the West Railway Station will be completed simultaneously in 1995 and that the terminal of the railway will be set up in the West Railway Station, Chen Xitong said happily: The West Railway Station is a very large-scale system engineering project requiring a large investment. Quick returns of the investment will be created if it is completed simultaneously with the Beijing-Kowloon Railway. This is very good. Comrade Li Qiyan, who was standing beside him, continued: The West Railway Station will also lead the economic development of the areas around it. The development of many areas around the station is invested by their respective districts. This is an advantage in developing the socialist market economy. Comrade Chen Xitong also exhorted the experts responsible for designing: Cloverleaves have become a scene characteristic of Beijing. The West Railway Station is very important. Cloverleaves should look good and should be diversified. [passage omitted]

Then, Chen Xitong, Li Qiyan, and other leading comrades went to the worksite of the east third ring road renovation project to inspect the work. [passage omitted]

Hebei's Zhangjiakou Elects New Leaders

SK2404091693 Shijiazhuang HEBEI RIBAO in Chinese 4 Apr 93 p 1

[Text] At the Eighth Zhangjiakou City People's Congress, Tian Zhentian was elected chairman of the Eighth Zhangjiakou City People's Congress Standing Committee; Ma Wenjin [7456 2429 6930], Gao Qiming [7559 0796 2494], Hou Debao [0186 1795 1405], Gong Weiji [7895 4850 1015] and Cui Yu [1508 3768] were elected vice chairmen; Yang Deqing [2799 1795 1987] was elected mayor of Zhangjiakou city; Zou Shihua [6760 0013 5478], Liang Jiye [2733 4949 2814], Zhao Baowen [6392 1405 2429], Bi Wencheng [3968 2429 3397] female, and Hou Zhicheng [0186 1807 6134] were elected vice mayors. At the First Session of the Sixth Zhangjiakou City Committee of the Chinese People's Political Consultative Conference [CPPCC], Wang Changhan [3769 2490 3352] was elected chairman of the sixth Zhangjiakou city CPPCC Committee, and Liu Changqi [0491 7022 3823], Li Tongshun [2621 0681 7311], Wang Chengxiao [3769 2110 2400], Wang Yi [3769 5030], Bai Baohuan [4101 1405 1403] (Manchu nationality), Liang Runtian [2733 3387 3944] (Hui nationality), and Zhang Shixun [1728 0013 8113] were elected vice chairmen.

Tianjin Secretary Inspects Commercial Situation

SK2604123393 Tianjin People's Radio in Mandarin 2300 GMT 25 Apr 93

[Text] On 25 April, Sunday, Gao Dezhān, secretary of the Tianjin municipal party committee, went to Hualian Department Store in [words indistinct] to inspect the marketing situation and to salute the commercial staff and workers working at the forefront of the department store. He went there to discuss with responsible persons of pertinent commercial departments how to develop commerce and make department store business brisk, and accelerate the circulation of goods.

Gao Dezhān stressed: Tianjin is a major industrial and commercial city. To invigorate the economy, we must go all out to develop commerce because the position of commerce is very important. We hope that the vast numbers of cadres, staff, and workers of commercial departments will continue to deepen reform, expand the scale of opening up, seize the opportunity, immerse themselves in hard work, make the market brisk, and accelerate the circulation of goods.

On 25 April, Gao Dezhān first went to a branch of Hualian Department Store to cordially converse with salesclerks and ask them about the management situation and sales information of the department store and about how big the proportion of Tianjin's products in the market is. After extending cordial greetings to the 40-odd clerks working for Huanlian Department Store, Gao Dezhān talked with responsible persons of the municipal commercial and industrial commission, the commercial commission, the first commercial bureau, the second commercial bureau, the grain bureau, the supply and marketing cooperative, and some commercial units. When it comes to ideological training to develop commerce, Gao Dezhān said: To develop commerce, the key lies in invigorating business transactions. In addition to developing the large market of the 8 million population of the municipality, we should strive to attract the purchases of the outside world, open up channels to push our business to the world, engage in large-scale circulation, seize large markets, and strive for large-scale development.

When it comes to deepening commercial reform, Gao Dezhān pointed out: To invigorate commerce, we should continue to deepen reform, open up even wider to the outside world, absorb foreign funds, cooperate with domestic places, and attract domestic and foreign personages through diverse channels, in diverse forms, and from all sides to make investment and do business in Tianjin. We should give full consideration to foreign traders to enable them to make a profit. At the same time, commercial departments themselves should pay attention to deepening reform, emancipate the mind, change ideas, conscientiously implement regulations, and change their own operational mechanism. Government departments should change functions, create a relaxed operational environment for enterprises, improve service, and help and support enterprises to

enlarge and invigorate their business and extend their business to the outside world.

Gao Dezhan added: In the process of deepening reform, we should pay special attention to exploiting the role of various districts and counties, should give a free hand to various districts and counties, should combine duties with powers and profits, and should mobilize the initiative in all fields to form a concerted effort in accelerating the development of Tianjin's economy so that we will be able to again push Tianjin's economy to a new stage.

Northeast Region

Jilin Governor Discusses 'Faster Development'

SK2404024793 Changchun JILIN RIBAO in Chinese
14 Mar 93 p 1

[By reporter Zhao Guoguang (6392 0948 0342): "As Long as It Emancipates the Mind, Jilin Will Achieve Faster Development"]

[Text] On the morning of 11 March, Governor Gao Yan granted an interview to reporters of Radio Television Hong Kong and the HONG KONG SHANG PAO [HONG KONG COMMERCIAL NEWSPAPER] to answer questions on Jilin's commodity trade fair held in Hong Kong and how Jilin Province will accelerate its development.

[Reporter] How many projects has Jilin brought this trade fair?

[Gao] We have brought more than 1,100 projects for foreign investment. They involve the energy, transportation, power, machinery, electronic, automobile, chemical, medical, and food industries.

[Reporter] Are there any projects related to the Tumen Jiang development plan?

[Gao] Yes. There are a project on construction of road from Tumen to Yanji and a Hunchun Power Station project. An investment of 1.8 billion yuan is planned.

[Reporter] What are the UN arrangements for the development of the Tumen Jiang valley?

[Gao] Several meetings have been held. It has been decided to invest \$4.5 million in the planning. In the first step, China, Russia, and the DPRK will designate a piece of land each to be built into a development zone totaling 1,000 square km. In the second step, 10,000 square km will be developed. The ultimate goal is to build a Rotterdam in the East and a second Hong Kong. All sides involved will supplement one another and achieve common development with their funds, labor forces, resources, and technology. The prospects are very broad.

[Reporter] You will attend the first session of the eighth National People's Congress [NPC]. Would you speak on your opinions on the session?

[Gao] To make the first session of the Eighth NPC successful, the CPC Central Committee held a meeting on 5-7 March. Based on Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and the party's basic line, the growth rate of the national economy was adjusted, with the GNP growth rate adjusted from 6 percent to 8 percent. Meanwhile, it was made clear that all localities decided on their own growth rates and there would be no uniformity. Jilin has fixed its annual economic development rate at 14.6 percent for the next three years, which is higher than the national average. With very good conditions for resources and very good industrial and agricultural foundation, Jilin will catch up very quickly as long as it emancipates the mind and exert earnest efforts to do practical work.

[Reporter] Liaoning has Dalian, and Heilongjiang has border areas as their advantages. What is Jilin's distinctive advantage?

[Gao] Generally speaking, we have four. First, Jilin is a border province near the sea. Asia's economic development situation is the best, and China's economic situation is among the best in the countries in Asia. Jilin is located in northeast Asia, shares a borderline of more than 1,400 km with Russia and DPRK, and has 10 border counties and cities. Through Tumen Jiang, Jilin can reach the Sea of Japan, the Pacific Ocean, and the world. This is the potential for Jilin's future development. The prospects are bright for Russia, China, DPRK, Japan, ROK, and Mongolia to supplement one another in economic development.

Second, Jilin has a good agricultural foundation. Among the 10 largest grain producing counties in the country, four are located in Jilin. Our per-capita share of grain is 800 kg, ranking first in the country; and our export of marketable grain also ranks first. With grain as the material, the processing industry involving alcohol, starch, and medicine is very advantageous. The corns produced by Jilin's corn-growing areas are of very good quality and can be developed greatly. The Keerqin grassland in western Jilin is the boundless wilds under the vast sky where cattle and sheep abound. The famous grassland red cattle are bred here. The Changbai Shan area in eastern Jilin is where the Manchu nationality was originated. Qing emperors restricted access to the mountains for more than 300 years to protect them, thus leaving vast primeval forests. Changbai Shan is a natural treasure house where many precious animals and plants exist, providing extremely broad prospects for developing medical industry.

Third, Jilin has a good industrial foundation. Changchun is the cradle of China's auto industry. The Jilin Chemical Industrial Company is a chemical industrial base of China. The province's other industries, such as ferroalloy, petroleum, iron and steel, power, and paper-making industries, also occupy an important position in the country.

Fourth, Jilin has substantial strength in science and technology. It has 216 county-level scientific research institutes staffed with 600,000 scientific and technical personnel. There are 237 scientific and technical personnel in every 10,000 persons in the province. Jilin has 42 universities, and its number of college students in every 100,000 persons ranks five in the country.

If Jilin further emancipates the mind, changes ideas, turns the planned economy into the market economy, and opens wider to the outside world, it will bring about greater changes in a few years.

[Reporter] You have been elected a deputy to the NPC. What is your general idea for Jilin's future development?

[Gao] The provincial party committee and government issued a mobilization call last year for working hard for three years to bring the economy up to a new level. The targets show that Jilin should not only speed up its growth rate but also achieve notable progress in quality, scientific and technological advance, and efficiency. Our per-capita GNP was 2,070 yuan last year. By 1994, urban people's per-capita cost of living income will reach 1,500 yuan, and peasants' per-capita income 900 yuan. The general idea for attaining this goal is deepening reform, opening up wider to the outside world, and accelerating development, with an aim to establishing the socialist market economy system.

[Reporter] What are Jilin's specific plans for turning the planned economy into the socialist market economy?

[Gao] First, we will allow enterprises decision-making power, including the power to production, fixing prices, technical transformation, employment, distribution, and export. The government exercised too rigid a control in the past, and now the control should be lifted step by step. Last year, we devolved 113 powers concerning 452 specific jobs to enterprises. Only when enterprises are given decisionmaking power can they enter the market.

Second, we will build and develop the market. In the past, we had only commodity markets but not the markets for means of production, labor service, funds, and technology. We have stepped up market construction since last year. We have the motor vehicle trade city of Changchun and the chemicals market in Jilin city. We also have the corn wholesale market, the northern timber market, and the Meihekou northern medicine market. All types of markets are being built and taking shape.

Third, we will thoroughly lift price control. The market economy cannot be developed without lifting price control. This year, control will be lifted on more than 95 percent of the prices under the provincial control. Man-made control on prices and a failure to reflect enterprises' actual achievements in their profits are detrimental to competition.

[Reporter] Do you have plans for building money markets?

[Gao] We plan to build a joint venture or cooperative bank this year. This should be approved by the state.

Focusing on the market economy, we should put efforts into adjusting the structure and improving efficiency. In the past, Jilin's economic structure was irrational, with the proportion of agriculture too large. The proportion of grain in agriculture and that of corn in grain were also too large. From now on, we should take the road of developing high-yield, good-quality, and high-efficient agriculture. The industrial structure should also be adjusted. We should produce whatever is demanded by the market. We will no longer strive to save the enterprises that found no market for their products as we did in the past. Enterprises which fail should be closed down, suspended, merged to others, have their production lines changed, or declared bankruptcy so that the organizational structure of enterprises will become more rational, conglomerates of the enterprises of similar trades in the same region can be established, and the market economy can be internationalized. Jilin is capable of achieving the 100-percent increase in its economy ahead of schedule. The central authorities have granted Changchun, Hunchun, and Jilin the policies for high- and new-tech development zones so that they can develop ahead of others, become demonstration areas, and set an example to lead other areas.

[Reporter] When conducting investment invitation activities in Hong Kong, Dalian proposed that all its light industrial enterprises become joint ventures and foreign firms be allowed to hold more than 51 percent of the shares and to hold the management right. In this way, it will suffer less losses when encountering the impact created by "entering GATT." What is Jilin's plan for this?

[Gao] We will also consider taking this road so that the provincial market will be linked to the world market as soon as possible. Dalian had been provided policies by the central authorities earlier than Jilin was. It is all the more necessary for Jilin to quicken its steps.

Jilin Upgrades Changchun Development Zone

SK2704103193 Changchun JILIN RIBAO in Chinese
12 Apr 93 p 1

[Text] A few days ago, the State Council formally approved Changchun Economic and Technological Development Zone as a state-level economic and technological development zone. The policies for economic and technological development zones of coastal open cities will be implemented in this development zone.

Changchun Economic and Technological Development Zone is located in the southeastern part of the city. It is in a place east of Yitong He, extending from Ziyou Boulevard to the east Huancheng Highway, to the south of the southern section of Jilin-Changchun Highway, and to the north of the Beijing-Harbin Expressway which is planned to be built.

Changchun Economic and Technological Development Zone was established in July 1992 with the approval of the Changchun city people's government, and it joined the rank of provincial-level economic and technological development zones in October 1992 with the approval of the provincial people's government.

The written State Council document on upgrading the Changchun Economic and Technological Development Zone to a state-level economic development zone has demanded: The development zone should persist in mainly running industrial and scientific and technological items to promote technological transformation and readjustment of industrial structure of old enterprises in Changchun city. It is necessary to vigorously absorb foreign capital, actively expand export, give play to the window role of the export-oriented economy, develop and build tracts of land in line with the overall plan, organize implementation by stages, and achieve actual results.

The establishment of the State Council-approved Changchun Economic and Technological Development Zone will surely play a role in promoting Changchun city's and our province's economic development.

Northwest Region

Qinghai Leaders on Secret Protection Work

HK2704080693 Xining Qinghai People's Radio Network in Mandarin 2300 GMT 21 Apr 93

[Excerpt] This morning, the provincial party committee held a routine meeting to brief the participants on the major conditions of the economic situation and the secret protection work of the entire province in the first quarter of this year. Provincial party Secretary Yin Kesheng presided over the meeting, and Tian Chengping, deputy secretary of the provincial party committee and governor, gave a briefing on the current economic situation of the province.

Tian Chengping said: By and large, the current economic situation in our province is very good, the development speed in various areas including production, circulation, construction, and so on is comparatively fast, and the national economy as a whole has begun steering into an operating orbit at a high speed. However, there are quite a few difficulties and problems on the road of advance, and some contradictions of a production character in the economic operation are still relatively conspicuous.

He pointed out: This is a very crucial year for fulfilling the Eighth Five-Year Plan. If we conduct our work for this year very well, not only can we maintain the good momentum of reform, opening up, and the national economy, but we can also create good conditions for the economic growth for next year and the year after next. Party committees and governments at all levels must further intensify their leadership over the economic work and, on the basis of the tasks fulfilled in the first

quarter, make further efforts to fulfill or overfulfill various targets of the national economy set for this year.

To this end, Tian Chengping proposed that we concentrate our efforts on grasping the following tasks now: 1) We should really intensify leadership over agriculture, and strive by every possible means to reap a bumper harvest in agriculture and to effect a better recovery in sideline production this year. 2) We should exert ourselves to do a good job of industrial production, transfer, and marketing of products to ensure that industrial production this year will be enhanced by a bigger margin. 3) We should speed up the construction projects to develop natural resources and push forward the process of developing resources. 4) We should increase reform intensity and quicken the pace of opening to the outside world, and work hard to foster greater vitalities of the national economy. On the other hand, we should have a firm grasp on the implementation of the Enterprise Law and the Regulations on Transforming Operational Mechanisms of Industrial Enterprises Under Public Ownership, make further efforts to improve the contract responsibility system in enterprises, push ahead the transformation, merger, and selling out of small state enterprises, and invigorate small industrial enterprises. We should further reform the circulating system, cultivate and improve market structure, positively move forward the reform of social insurance system, institute and amplify social insurance system, expedite the change of government functions, and carry out reform on macro regulation and control.

Comrade Tian Chengping also put forth the necessity to stress the work of drawing in funds through business solicitation; speed up establishing a network to solicit business; organize a crack contingent of personnel for this purpose; extensively seek cooperation with large consortia, enterprises, and corporations at home and abroad to form joint ventures; and strive to set up cooperative projects with investment on a larger scale. At the same time, we should expand channels of export commodities and strive for a relatively big increase in the volume of earning foreign exchange through export this year on the basis of the previous year.

At the meeting, Comrade Yin Kesheng expressed his views on intensifying the work to maintain secrecy. He said: It is necessary to further enhance the understanding of the importance of secret protection and really take this work as a great matter, fully understand the complicated nature of the work under the new period, and vigorously intensify the education on maintaining secrecy among the vast number of party members, cadres, and masses of all nationalities. Besides, we should intensify the supervision and examination on the secret protection work, perfect the secret protection system, and enforce strict discipline on maintaining secrecy. In the future, those who do not abide by discipline and who cause major incidents in leaking secrecy, no matter who they are, should bear legal responsibilities strictly. He called for party committees and governments at all levels to really intensify leadership over the secret protection work, pay

attention to the building of a contingent of secret protection personnel, and enhance the overall level of the work in the entire province. Comrade Yin Kesheng hoped that party and government leaders as well as secret protection departments at all levels would actually proceed from work demands; rely on the party leadership, cadres, and masses; and do well substantial basic work with perseverance, so that the work of maintaining secrecy will serve reform, opening up, and economic construction even better. [passage omitted]

Shaanxi Secretary Elected Congress Chairman

HK2404010293 Xian Shaanxi People's Radio Network in Mandarin 0010 GMT 21 Apr 93

[Text] The First Session of the Eighth Shaanxi Provincial People's Congress held its fifth meeting yesterday morning.

The meeting elected by secret ballot Comrade Zhang Boxing the eighth provincial people's congress standing committee chairman; Comrade Bai Qingcai was elected governor; Comrade Chen Fusheng was elected the eighth provincial people's congress standing committee secretary general; Comrade Jiao Langting was elected the provincial higher people's court president; and Comrade Zhang Longqing was elected the provincial people's procuratorate chief procurator.

Zhi Yimin, the meeting's executive chairman and presidium executive chairman, presided over the meeting.

Comrades Liang Qi, Mao Shengxian, An Guozhu, Liu Zhaoming, Yang Jirong, Yang Aiyun, Zeng Xiurong, and Xiao Quantao also served as executive chairmen at yesterday's meeting.

Yesterday's meeting was attended by a sufficient number of eligible deputies, thereby procuring a quorum. [words indistinct]

Xinjiang Reforms Grain Circulation System

HK2404080393 Beijing XINHUA Domestic Service in Chinese 2102 GMT 22 Apr 93

[By reporter Li Dadong (7812 1129 2639)]

[Text] Urumqi, 23 Apr (XINHUA)—Beginning this month, the Xinjiang Uygur Autonomous Region reformed the grain circulation system by reducing the quantity of grain ordered and purchased by the state, stopping subsidies from local finances to cover the losses incurred by grain and cooking oil enterprises, and completely lifting control over the prices of grain and cooking oil and the trade in such goods.

This year, grain ordered and purchased by the government in Xinjiang will account for only 60 percent of the original grain order quota assigned by the state, with the remaining 40 percent of grain being sold freely in the market without price control. Cooking oil will all be bought and sold freely through the market without price control.

In order to ensure the smooth development of the reform of the grain circulation system, Xinjiang will set up a 60-million-yuan "grain risk regulation fund" and a 100-million-yuan "circulation fund" by stages within three years.

Ku Chen-fu Arrives in Singapore for Talks

OW2604120493 Beijing XINHUA Domestic Service in Chinese 0944 GMT 26 April 93

[By correspondents Xue Jianhua (5641 1696 5478) and Duanmu Laidi (4551 2606 0171 1229)]

[Text] Singapore, 26 Apr (XINHUA)—Gu Zhenfu [Ku Chen-fu], chairman of Taiwan's Strait Exchange Foundation [SEF], who is going to hold talks with Wang Daohan, chairman of the Association for Relations Across the Taiwan Strait [ARATS] tomorrow, arrived in Singapore today. At the airport, he told local and foreign reporters: Both sides of the strait not only can be traced to a common source in geography, history, and culture, but what is more, they share a national feeling, just as blood is thicker than water. The ties between Taiwan and the entire Chinese nation can never be cut off."

He said: "How to end their estrangement and settle their differences over the years is an extremely arduous task indeed. It is hoped that both sides of the straits will push forward the process with a broad mind, rational understanding, great intelligence, a pragmatic approach and firm steps."

In answer to a reporter's question, Gu Zhenfu said: The contacts between the people across the straits are increasingly closer and more frequent, while economic and trade exchanges are on the increase daily. It is hoped that the present meeting will contribute to orderly exchanges and a favorable development of mutual ties across the straits.

A reporter asked: Mainland China has invited Mr. Gu to visit Beijing many times, will the Taiwan side invite Wang Daohan to visit Taipei [Taipei]. Gu Zhenfu said he believed that since it is an exchange, Wang Daohan can certainly visit Taipei. As to when he will make the trip, no agreement has been reached yet.

While touching on the upcoming "Wang-Ku Meeting," Gu Zhenfu said: The SEF and the ARATS have already made an historic step forward. He hoped the talks will be held smoothly and successfully, thereby laying a sound foundation for the development of mutual ties across the strait in the future.

First Day of Wang-Ku Meeting Discussed

OW2704103593 Beijing XINHUA in English 1020 GMT 27 Apr 93

[Text] Singapore, April 27 (XINHUA)—Wang Daohan, chairman of the Chinese Mainland's Association for Relations Across the Taiwan Straits (ARATS), and Ku Chen-fu, chairman of the Taiwan-based Straits Exchanges Foundation (SEF), held a historic, first meeting today in Singapore.

At 10 o'clock this morning, Wang and Ku arrived at the meeting room, where they were immediately surrounded by about 200 Chinese and overseas reporters.

Ten delegates from each side attended the meeting, which started after Wang and Ku shook hands four consecutive times.

According to Tang Shubei, vice chairman of (ARATS), the meeting was convened in a harmonious atmosphere in which both sides frankly voiced their opinions.

Wang Daohan first conveyed the regards of Jiang Zemin and Li Peng to Ku Chen-fu. Wang then asked Ku to convey the mainland delegation's greetings to Lee Teng-hui [Li Teng-hui] and Lien Chan, as well as to Hau Pei-tsun [spelling of names as received], who in the past supported the meeting.

Wang reiterated that the meeting was to be characterized as non-governmental talks focused on economic exchanges.

Wang said that the opening of the meeting was a sign that it is urgent and necessary for the two sides of the Taiwan Straits to enhance economic exchanges and cooperation.

Wang said that increased exchanges and cooperation mark a trend that will benefit the entire Chinese nation.

Wang noted that Deng Xiaoping has stressed time and again that China should seize the opportunity to accelerate its development.

Lee Teng-hui has also held that the economic development of Taiwan should focus on the mainland, Wang noted.

Wang said that the mainland and Taiwan should enhance cooperation in order to take a more important position in the world economy. Cooperation, said Wang, will benefit both sides.

He said that last year economic growth on the mainland increased by 12.8 percent.

Prospects for economic development on the mainland are promising, said Wang, and the mainland will become one of the largest investment and consumption markets in the world.

Wang noted that foreign investors are eager to enter such a large market. If Taiwan's funds do not enter the mainland, funds from West Europe, North America, East Asia and Southeast Asia will still stream in.

Wang said that he hoped that the two sides of the Taiwan Straits will cooperate in bringing prosperity to the mainland market.

Wang said that there were eight detailed issues involved in economic exchanges and cooperation across the straits, which he listed as follows:

The first issue is guidelines for economic exchanges.

The second issue is the direct exchange of mail, trade, air and shipping services, which should be put on the agenda.

The third issue is a proposal on holding regular economic exchange meetings on a people-to-people basis under the sponsorship of ARATS and SEF.

The fourth issue concerns investment in the mainland by Taiwan businessmen and visits to Taiwan by figures in economic and trade circles on the mainland.

The fifth issue is cooperation in labor services across the straits.

The sixth issue focuses on Taiwan businessmen's participation in the development of the Pudong New Area, the Three Gorges Project and the Tumen region on the mainland.

The seventh issue is the cooperative development of energy and other resources by the two sides.

The eighth issue is the cooperative tapping of oil deposits in the Taiwan Straits and dispute-free regions in the East Sea.

Wang's speech took 40 minutes. Ku Chen-fu, chairman of SEF, then spoke on the issues of a joint crackdown on maritime smuggling and other crimes, cooperation between ARATS and SEF on economic, scientific and technological exchanges across the straits, and exchanges between youths on the two sides of the straits.

Ku said that he was willing to discuss with ARATS the feasibility of opening people-to-people economic exchange meetings between the two sides. Ku also said that he was ready to discuss the issues of joint tapping and utilization of resources and energy.

After this morning's meeting, Tang Shubei, vice-chairman of ARATS, and Chiu Cheyne, vice-chairman of SEF, held separate press conferences.

At the ARATS press conference, Tang said that with the expansion of economic exchanges and trade across the straits, it was more necessary to have direct mail, trade, air and shipping services.

Tang said that by gradually establishing mutual trust, talks could start on direct shipping of cargo in designated areas. Both sides should exchange views on preparatory procedures for talks on this question, he added.

Tang said that ARATS was willing to talk with SEF on certain detailed issues involved in the exchange of mail, trade, air and shipping service across the straits.

Tang quoted Wang Daohan as saying that after nearly four decades of separation between the two sides, there remained many issues to be solved. The mainland has repeatedly expressed its position that any topic can be discussed if the two sides sit down to talk.

As long as ARATS and SEF hold the dialogue in a spirit of mutual respect, equal consultation, seeking truth from the facts and seeking common grounds while reserving differences, they will hopefully achieve the positive outcome in the talks, Wang was quoted.

Further on Meeting

OW2704102093 Beijing XINHUA Domestic Service in Chinese 0829 GMT 27 Apr 93

[By reporters Duanmu Laidi (4551 2606 0171 1229) and Xue Jianhua (5641 1696 5478)]

[Text] Singapore, Apr 27 (XINHUA)—The "Wang-Gu [Ku]" meeting, the first meeting between leaders of nongovernmental organizations authorized by the two sides of the Taiwan Strait, which has been the focus of public attention, started here today. Wang Daohan, chairman of the Association for Relations Across the Taiwan Strait [ARATS], and Gu Zhenfu [Ku Chen-fu], chairman of the board of directors of the Taiwan's Foundation for Exchange Across the Taiwan Strait [SEF], sat at the conference table for the first time to consult on matters concerning strengthening economic cooperation and scientific-technological and cultural cooperation between the two sides of the strait and on matters related to ARATS and SEF affairs.

At 10:06 (0206 GMT), when Wang Daohan and Gu Zhenfu appeared together at the conference hall on the fourth floor of the Haihuang Building, they were immediately surrounded by some 200 Chinese and foreign reporters, who held out microphones or clicked camera shutters to record the historically significant pictures of the relations between the two sides of the Taiwan Strait.

ARATS and SEF each had 10 delegates attending this morning's meeting. After shaking hands across the table for the fourth time, Wang Daohan and Gu Zhenfu formally began their meeting.

ARATS Vice Chairman Tang Shubei briefed reporters on the morning meeting after it ended. He said: "During the meeting, which was held in a cordial atmosphere, the two sides frankly [tan shuai 0982 3764] stated each side's viewpoints."

According to Tang Shubei, Chairman Wang Daohan first relayed Mr. Jiang Zemin and Mr. Li Peng's regards to Mr. Gu and asked Mr. Gu to relay their personal [ge ren 0020 0086] regards to Mr. Li Denghui [Li Teng-hui] and Mr. Lian Zhan [Lien Chan] and also their greetings to Mr. Hao Bochun [Hao Po-chun], who has supported this meeting. Mr. Gu earnestly took notes.

Wang Daohan then said that the current meeting is nongovernmental, economic, routine, and functional in nature. The holding of the meeting has fully demonstrated the urgency and inevitability of economic exchange and cooperation between the two sides of the Taiwan Strait. Wang Daohan held that economic exchange and cooperation are the trends, and only by adapting to and vigorously pushing forward these trends of cooperation can we benefit the entire Chinese nation.

He said: Mr. Deng Xiaoping has stressed time and again the need to seize the opportunity to accelerate development. Mr. Li Denghui also held that Taiwan should use the mainland as its interior to develop its economy. We

express appreciation for this vision and hope to see actual steps taken. To ensure that the Chinese nation will occupy an important place in the world economy, the two sides should join hands and cooperate because "cooperation benefits both sides."

Wang Daohan said: With encouraging prospects for economic development, the mainland is expected to become one of the world's largest investment and consumer markets. Foreign capital, unable to wait any longer, is streaming into this large market. Even if capital from Taiwan does not flow into this big market, capital from countries in Western Europe, North America, East Asia, and Southeast Asia will flow in. We hope that the two sides of the strait cooperate and join efforts in making this mainland market prosperous.

Next, Wang Daohan discussed eight specific questions on economic exchanges and cooperation between the two sides of the strait: 1) A basic proposition on economic cooperation between the two sides of the strait; 2) direct "three exchanges" [mail exchanges, air and shipping service exchanges, and trade exchanges] should be placed on the meeting agenda; 3) the proposal on convening a nongovernmental economic exchange conference (on a regular basis) to be arranged by ARATS and SEF; 4) investments by Taiwan businessmen on the mainland and visits to Taiwan by people from mainland economic and trade circles; 5) labor cooperation between the two sides of the strait; 6) Taiwan's participation in developing Pudong, the Three Gorges, and the Tumen Jiang; 7) cooperation in exploiting energy and resources; and 8) cooperation between the two sides of the strait in exploiting petroleum resources in the Taiwan Strait and in areas of the East China Sea where no disputes over territorial claims are involved.

After Wang Daohan talked for about 40 minutes, Gu Zhenfu expressed his views on the ties and cooperation between the two organizations, on joint efforts in combating smuggling and crime on the sea, on cross-strait economic cooperation, on exchanges between young people, and on scientific, technological, and cultural exchanges. He indicated that he is willing to consult with ARATS on the feasibility of making arrangements for convening a nongovernmental economic exchange conference and that he is prepared to discuss with ARATS the question of joint exploitation and utilization of resources and energy sources.

In conclusion, Wang Daohan said: There are many questions that need to be solved because contacts between the two sides of the strait began only after a separation of more than 40 years. We have said repeatedly that as long as both sides sit down to talk, we can discuss any question. Proper methods for solving problems will be found as long as the two organizations observe the spirit of mutual respect, consult on equal footing, seek truth from facts, and seek common ground while reserving differences. He expressed the hope that the talks will be successful.

After the talks this morning, Tang Shubei and Qiu Jinyi [Chiu Chin-i], vice chairman of Taiwan's SEF, gave a news conference, at which they answered questions by Chinese and foreign reporters.

In response to a reporter's question on "three exchanges" between the two sides of the strait, Tang Shubei said: Mr. Wang Daohan has told Mr. Gu Zhenfu that the fact that economic and trade exchanges between the two sides have been able to develop to the present stage shows explicitly that the direct "three exchanges" are necessary; therefore, the matter should be placed on the meeting agenda. Proceeding from reality and also considering the fact that the establishment of mutual trust needs to go through a process, we can begin talks about direct shipping at fixed points. Both sides may exchange views on preparatory procedures for the discussion of these questions. ARATS is ready to discuss with SEF some specific questions concerning the "three exchanges." Mr. Gu Zhenfu earnestly listened to Wang Daohan's proposals.

Wang Daohan on Cross-Strait Exchanges

OW2704100593 Beijing XINHUA in English 0955
GMT 27 Apr 93

[Text] Singapore, April 27 (XINHUA)—In a historic meeting with a counterpart from Taiwan, chairman of the mainland-based Association for Relations Across the Taiwan Straits (ARATS) Wang Daohan today put forward specific proposals on economic exchange and co-operation between the two sides of the Taiwan Straits.

In his first round of talks with Ku Chen-fu, chairman of the Straits Exchange Foundation (SEF), Wang said that cross-straits economic exchange and co-operation is urgent and necessary for the two sides.

As the new world economic structure is taking shape, Wang said, the two sides of the Taiwan Straits have new opportunities and face new challenges in the light of a rapidly growing economy in the Asia-Pacific region.

To exploit these opportunities, the mainland should work to attract more investments from Taiwan and learn from its advanced technology and managerial system.

Wang noted that leaders in Taiwan's industrial and commercial circles universally hold the view that Taiwan's economic prospects lie on the mainland.

He said that the two sides have good basis for economic co-operation as their economies complement each other.

Over the past 14 years, the mainland has made internationally-recognized achievements in economic construction and opening to the outside world, Wang said.

Wang said that China's 12.8 percent economic growth rate in 1992 shook the whole world.

Late last year, the 14th National Congress of the Chinese Communist Party set the building of a socialist market

economy as the ultimate objective of the ongoing reforms; that goal was written into China's constitution during the Eighth Session of the National People's Congress earlier this year.

The policy of taking economic construction as the central link in reform and opening to the outside world will not change, and continuous efforts will be made to deepen reforms and open the country still wider to the outside world.

The mainland enjoys bright prospects for economic growth. Its market is growing steadily and is expected to become one of the largest investment and consumption markets in the world.

With the growth of such a huge market, foreign funds will keep flowing into China.

If investments from Taiwan do not enter the mainland, funds from Western Europe, North America and Southeast Asia will still stream in.

"We hope that the two sides of the Taiwan Straits will cooperate in bringing prosperity to the mainland market, and this is also conducive to economic expansion in Taiwan," Wang said.

The basic stand on economic, scientific and technological exchanges and cooperation across the Taiwan Straits, Wang added, is as follows: The mainland and Taiwan should work together for the same goals and for mutual benefit, achieve common prosperity and invigorate the Chinese nation.

In the present stage, relations between both sides of the Taiwan Straits should focus on economic exchanges and cooperation; political differences should not impede economic cooperation.

The direct exchange of mail, open trade and air and shipping services across the Taiwan Straits, should be placed on the agenda and, with ever-expanding economic and trade relations across the Taiwan Straits, the direct exchange of mail and open trade and air and shipping services have become more necessary.

Proceeding from reality and in light of the fact that the establishment of mutual trust requires some time, we can begin our talks on direct shipping of cargo in designated areas; both sides may exchange views on the preparatory procedures for talks on this question.

Concerning the proposal of arrangements for a people-to-people economic exchange conference (institution) at the joint sponsorship of ARATS and SEF, Wang said, both ARATS and SEF will strive to make it a relatively fixed institution.

The aim of the conference, he added, is to promote the economic, scientific and technological exchange and

cooperation across the straits, its nature is a people-to-people conference authorized to discuss on substantial questions, and it will differ from an academic symposium.

The conference may take the form of regular and irregular meetings, with the regular ones held once a year and by both sides of the straits alternatively, and irregular ones held several times each year and whenever deemed to be necessary by the two sides, either on the mainland or in Taiwan, Wang said.

As for the participants in the conference, Wang said, it can include executive members of the ARATS and the SEF, and officials from relevant authorities in the name of non-governmental organizations.

Views and suggestions raised at the conference may be discussed by the ARATS and SEF and written into documents agreed upon.

On the issue of the protection of Taiwan business people's investment on mainland, Wang said, the mainland has always been attaching great importance to the protection of Taiwan investment.

The mainland is politically stable, and its investment environment, including legislation environment, is basically sound, and it is both profitable and safe for the Taiwan business people to invest on the mainland.

However, some problems are hard to avoid, and the mainland is willing to heed suggestions from Taiwan businessmen, the SEF and other relevant Taiwan departments, so that better measures would be worked out for protection of the legal rights and interests of the Taiwan business people on the mainland, he noted.

We hope that in accordance with the principle of the mutual reciprocity, the Taiwan side will ease its restrictions on investment on mainland by Taiwan businessmen and on the import of mainland commodities, and we also hope that Taiwan will open its labor market to the mainland and allow mainland businessmen to make visits, investigations and investments in Taiwan.

"We regard that in view of Taiwan's current economic and trade policies, the signing of a "memorandum on protection of Taiwan investment on the mainland", as proposed by the SEF, is improper in our opinion, Wang said. [quotation marks as received]

However, this will not prevent the two sides from exchanging opinions on the issue, he said.

He suggested that all the above issues could be submitted to discussions at "the Conference of Economic Exchange Across Straits".

He also suggested this proposal be written into the common understandings signed by the two sides after the talks.

Wang said that the two sides should exchange their views on contracted labor service that is well organized and in a planned way, so as to end the situation in which there have been no channels so far for labor co-operation between the two sides since the Taiwan side has not opened itself to the labor service from the mainland.

The Taiwan side may put forward their requirements on the project, the number and quality of labor service personnel, the time limits and the payments to provide for them.

He said that the mainland may also open to the service of workers with special techniques from Taiwan and all mainland laborers will not overstay in Taiwan and return according to the contract terms. [sentence as received]

Wang suggested that the ARATS and the SEF and other organizations on both sides of the straits as will have consultations on ocean shipping labor co-operation. [sentence as received]

The Taiwan side may put forward its requirements on the sea area, the number of the qualified laborers needed, and it should ensure the safety, necessary working condition, and the proper rights for the mainland seamen.

Wang noted that the Taiwan investors are welcome to take part in the development of the Pudong New Area in Shanghai and the Three Gorges Project.

He also suggested that the industrial and commercial trades from both sides jointly set up a company to develop the Tumen River region bordering China and Korea and the Commonwealth of Independent States (CIS).

On the issue of cooperation on the development of energy and resources, Wang said, Taiwan business people are welcome both to participate in new construction projects and technological upgrading.

Products from such cooperation, including as coal and metals and nonferrous metals, can become the stable sources of supplies to Taiwan, he said.

If the Taiwan side agrees, agreements can be reached in principle and they may be submitted to the relevant authorities for concrete discussions, Wang said.

Discusses S&T, Cultural Ties

OW2704130293 Beijing XINHUA in English 1235
GMT 27 Apr 93

[Text] Singapore, April 27 (XINHUA)—Taiwan and the Mainland of China should step up efforts to promote the exchange in personnel and in science, technology and culture, said Wang Daohan, chairman of the mainland Association for Relations Across the Taiwan Straits.

In his first round of talks with Ku Chen-fu, chairman of Taiwan's Straits Exchange Foundation here today, Wang said the two sides should actively promote the exchange

of visits by scientific and technological personnel so as to make preparations for the normal exchange of data and publications and the establishment of a patent information system and at the same time, make preparations for the standardization of scientific terms, the protection of intellectual property rights and standardization.

Then, he said, the two sides may start cooperation in some chosen areas, especially in new and high technology.

He picked out photoelectric area as the first choice.

Other areas for cooperation he listed include peripheral equipment of computers, intelligent computers, high performance computers and the establishment of computing technology centers, basic parts of machinery, high-speed trains, numerical controlled machine-tools, shipbuilding, mobile telephones, standardization of telecommunications equipment, commercialization of high temperature ceramics of the mainland, temperature control technology and biological technology and medicine.

Wang said that the mainland has adopted a series of measures and regulations on the protection of the intellectual property rights of the people in Taiwan, such as trademarks, patents and copyrights.

But he noted that the intellectual property rights of the people of the mainland are not well protected in Taiwan and the owners of such rights or their agents are unable to go to Taiwan for exchange and investigations.

He said that he would be glad to see the contacts and cooperation between the intellectual property rights circles of the two sides. He urged the Taiwan authorities to ensure such economic and cultural exchange and provide all the conveniences.

Wang said that the mainland and Taiwan should make two-way exchanges among the young people of the two sides and that the political issues of the two sides should not affect their exchange.

On the exchange of the press between the two sides, Wang said that he agreed to discuss such matters in the current talks and put forward the following proposals upon authorization:

- The Taiwan authorities should simplify the procedures for journalists of the mainland to visit Taiwan;
- In issuing entry documents, the Taiwan authorities should remove all the terms unacceptable to the mainland's press circles; the formalities for journalists of the mainland to visit Taiwan can be completed by authorized people's organizations.

In order to promote the mutual exchange between journalists of the two sides, Wang said, his organization plans to organize leading members and veteran journalists of major press organizations on the mainland to visit

Taiwan this year and at the same time, invite leading members of major media in Taiwan to visit the mainland.

He expressed the hope that the two organizations will provide mutual assistance.

Ku Says Taiwan 'Cannot Be Severed' From China

*OW2604115793 Beijing XINHUA in English 1140
GMT 26 Apr 93*

[Text] Singapore, April 26 (XINHUA)—Taiwan's relationship with the Chinese nation cannot be severed, said Ku Chen-fu, chairman of the Taiwan-based Straits Exchange Foundation (SEF), at a press conference held here today.

While addressing reporters on his arrival in the city-state today, Gu [Ku] [change in spelling as received] said that the two sides of the Taiwan Straits share a common history and culture and a deep love for the Chinese motherland.

Ku flew to Singapore from Taiwan to attend the "Wang-Ku meeting" between Taiwan and the mainland, which will begin on Tuesday. The two-day meeting will be headed by Ku and Wang Daohan, chairman of the mainland-based Association for Relations Across the Taiwan Straits (ARATS).

Ku said that the process of dismantling the barriers of estrangement and separation that currently exist between the two sides of the straits will be "an arduous task." But Ku also said he hoped that the two sides will push forward with an open mind, reason, understanding, deep wisdom and a practical attitude.

While answering questions posed by reporters, Ku said that ARATS chairman Wang is welcome to visit Taipei since mutual visit is a kind of exchanges, but did not disclose a definite timetable for either visit.

Ku said that his meeting with Wang marked a major historical step taken jointly by the mainland and Taiwan. Ku added that he hoped the meeting would lay a sound foundation for the future development of relations across the straits.

Lee Kuan Yew Glad To Help Chinese Parties

*OW2604144293 Beijing XINHUA in English 1416
GMT 26 Apr 93*

[Text] Singapore, April 26 (XINHUA)—Singapore's Senior Minister Lee Kuan Yew said today that it was a pleasure for Singapore to have the opportunity to provide help to both sides of the Taiwan Straits.

The meeting between Wang Daohan, chairman of the mainland's association for relations across the straits, and Ku Chen-fu, president of Taiwan's Straits Exchange Foundation, will be held in Singapore on Tuesday and Wednesday [27-28 April].

Lee said he hoped future meetings will be held on the mainland or Taiwan.

Lee made his comments when he met with Wang Daohan.

Tang Shubei, vice-chairman of the association, who attended the meeting, said Wang gave a brief account of the development of relations across the straits during the meeting.

Wang said that economic, scientific and technological, and cultural exchanges between the two sides have developed rapidly in recent years, and, first of all, it is necessary to strengthen the exchanges in these fields later on.

Opinions on political issues can be exchanged with Taiwan compatriots to help them understand the opinions of the mainland, Tang quoted Wang as saying.

It is necessary to make Taiwan compatriots understand that the interests of 20 million Taiwan compatriots are included in the interests of the Chinese nation, said Wang. "We are pleased to regard the achievements of our Taiwan compatriots as part of the achievements of the entire Chinese nation."

Wang said the mainland held that economically both sides should bring into play their advantages and supplement each other's needs.

"We will ensure the Taiwan investors in the mainland make profits and increase their confidence," said Wang.

Lee Kuan Yew was interested in the development of the relations in recent years. He said he first talked with Chiang Ching-kuo about lifting ban on personal visits between the two sides when he visited Taipei in 1976. Lee said he was pleased to see the changes in recent years and stood for continuing to develop such exchanges.

Ministry Calls Hijackers 'Fugitive Criminals'

OW2704062893 Beijing XINHUA Domestic Service in Chinese 0221 GMT 26 Apr 93

[Text] Beijing, 26 Apr (XINHUA)—During an interview with our reporter today, a spokesman of the Ministry of Public Security disclosed that after reconnaissance and investigations had been carried out by the public security organ and procuratorial organ, it was found that Huang Shugang and Liu Baocai, who hijacked a plane to Taiwan on 6 April, are fugitive criminals with criminal records.

The spokesman pointed out: After the people's procuratorate of Tangshan City in Hebei Province had placed the case on file for investigation, it was revealed that from January to early April 1993, when Huang Shugang worked as a purchasing agent for a guesthouse run by the Tangshan Iron and Steel Company, he took advantage of his position and made use of checks on the guesthouse's account and increased or altered the check amount

without authorization, and made purchases without submitting an expense account. Through some individual business operators, he illegally withdrew cash with checks amounting to 205,706.14 yuan, and used checks to buy high-grade cigarettes and resold them, thereby making a profit of 19,265 yuan, and he embezzled 224,971.14 yuan. While the procuratorial organ was conducting an investigation into his embezzlement, Huang hijacked the plane with Liu Baocai to avoid punishment for his crime. On 14 April, the people's procuratorate in Tangshan City made a decision to arrest Huang Shugang, and on 16 April the Public Security Bureau in Tangshan City signed and issued a warrant of arrest. On 17 April, the Public Security Department in Hebei Province issued a wanted circular.

The spokesman said: After an investigation made by the Public Security Bureau in Tangshan City, Liu Baocai has been found to be involved in gambling, and illicitly

storing and selling firearms. From January through March 1993, Liu used to gamble with a money-making motive together with others in the Hong Xin [Red Star] Building at Airport Road in Tangshan City. On 8 April, an individual business operator by the name of Bai Lijun in Tangshan City handed over, on his own accord, an antiriot gun with five cartridges which he bought from Liu Baocai for 1,100 yuan with the intention of protecting himself from violence. The Public Security Bureau in Tangshan City also found and seized two stun guns along with a holster. On 14 April, the people's procuratorate in Tangshan city sanctioned the arrest of Liu Baocai. On 16 April, the Tangshan Public Security Bureau signed and issued a warrant of arrest. Liu and Huang Shugang are seriously suspected of jointly committing the crime of embezzlement, and are currently under investigation by the procuratorial organ. On 17 April, the Hebei Province Public Security Department issued a wanted circular to arrest Liu Baocai.

Stricter Protection for IPR Under Way

*OW2704083393 Taipei CNA in English 0810 GMT
27 Apr 93*

[Text] Taipei, April 27 (CNA)—The government is taking new measures to more effectively protect intellectual property rights (IPR) after two new copyright bills came into force Monday [27 April].

A supra-ministerial coordination meeting, which took place at the Ministry of Economic Affairs in the afternoon, made some concrete decisions on the enactment and the enforcement of IPR protection.

The Government Information Office will work with the Legislative Yuan in a new effort to complete the enactment of the cable TV law by the end of the current legislative session in late June, while the National Bureau of Standards will push for the revision of the Trademark Law and the Patent Law as well as the passing of the Integrated Circuit Protection Act and Industrial Design Act.

Rulings on IPR infringements will be submitted to the US side for reference every month since the legislature approved the two copyright bills in order to honor a previous commitment by the country and to deter impending American trade sanctions.

An amendment to the Copyright Law and eight reserved articles of the ROC [Republic of China]-US Copyright Agreement, both of which stipulate "a general ban with some exceptions" on the parallel imports of copyrighted works, passed the Legislative Yuan April 22. Parallel imports are goods imported by those other than authorized agents of copyright holders.

To further demonstrate the government's efforts in IPR protection, the Institute for Information Industry will send to the United States a position paper detailing Taiwan's computer export examining system, which will also apply to trademark exports including sporting equipment, cosmetics, and automobile parts.

Commenting on the enforcement of the two copyright laws, Wang Chuan-lu, director of the Copyright Committee under the Interior Ministry, noted that the laws are not retroactive. Those who engaged in parallel importation prior to April 26 will not be regarded as violators of the two bills, Wang said.

Under the newly-promulgated bills, government, academic, and religious organizations here are allowed parallel importation of five kinds of copyrighted products from the United States. Imports for private individual use as well as operation manuals and catalogues of machinery equipment are also permitted. The five exceptional products are books and magazines, cassettes and compact discs, videotapes, art objects, and computer software.

Wang reiterated his appeal that people here should pay special heed to the new regulations. Domestic visitors

returning from the United States, Britain, and Hong Kong must not bring in more than one copy of any copyrighted good, he stressed. Except for authorized agents, he pointed out, traders are banned from importing or selling copyrighted products from the three areas.

Group Protests U.S. Sanction Threat

*OW2704084593 Taipei CNA in English 0821 GMT
27 Apr 93*

[Text] Taipei, April 27 (CNA)—A right-wing group Monday [26 April] filed a protest to the American Institute in Taiwan (AIT) asking the United States to drop its trade sanction plan against the Republic of China [ROC].

Three members of the ROC Patriotic Association delivered the protest to AIT, which represents US interests in Taiwan in the absence of bilateral diplomatic relations.

The ROC used to respect the US in both international and trade affairs, but now the US has been trying to force the nation into imposing draconian laws by invoking Article 301, the association says in its protest letter to US President Bill Clinton.

The Legislative Yuan, bowing to the threat of American trade retaliation, last week passed the eight controversial articles of the ROC-US Copyright Agreement. The eight articles became the target of the US criticism after they were reserved by the Legislative Yuan earlier this year.

"We, the people of the ROC deeply regret your treatment of a country that has been friendly to the US," the letter says.

The association asked the Clinton administration to halt any trade retaliatory measures, otherwise it threatened it would launch a series of activities boycotting American products.

Ku-Wang Meeting Opens in Singapore

*OW2704081393 Taipei CNA in English 0742 GMT
27 Apr 93*

[Text] Singapore, April 27 (CNA)—Straits Exchange Foundation [SEF] Chairman C.F. Ku and his Mainland Chinese counterpart Wang Daohan, chairman of the Association for Relations Across the Taiwan Straits (ARATS), began their two-day discussions on cross-strait relations in Singapore Tuesday [27 April] morning.

After a 90-minute meeting between Ku and Wang, the two attended a press conference at 11:30 A.M.

The SEF vice chairman and Secretary-General Chiu Chin-i and ARATS Vice Chairman Tang Shubei will carry on the negotiations from 3-5 P.M. Tuesday afternoon. The press will be briefed after the Chiu-Tang negotiations.

ARATS Chairman Wang will entertain all the attendants at the meeting at a dinner Tuesday evening.

Called 'Historic Step'

OW2604161093 Taipei CNA in English 1552 GMT
26 Apr 93

[Text] Singapore, April 26 (CNA)—Taiwan and Mainland China have taken a historic step in narrowing the gap between the two sides of the Taiwan Straits, Taipei's top negotiator to an unofficial cross-strait meeting said here Monday.

Ku Chen-fu, chairman of Taipei's Straits Exchange Foundation (SEF), flew into Singapore in the afternoon to meet with Wang Daohan, chairman of Beijing's Association for Relations Across the Taiwan Straits (ARATS), on April 27-28 in the first such high-level encounter between the two sides in 44 years.

Ku told reporters upon his arrival that it will be a "very difficult task for Taiwan and the mainland to narrow the gap and diminish the differences between them created by more than 40 years of separation."

"However, the SEF and the ARATS have taken a historic step toward this direction," he said of the meeting between the two intermediary organizations authorized by Taipei and Beijing to handle nongovernment exchanges across the straits. Taipei still bans official contacts with Beijing.

The business tycoon with great political influence expressed the hope that both sides would be open-minded, rational and pragmatic in promoting the improvement of bilateral relations. He stressed, however, that the Singapore meeting is a functional and technical event and will not touch on political issues. The purpose of the meeting, Ku said, is for both sides to "frankly exchange opinions with each other" based on understandings reached between them in preparatory consultations earlier this month in order to create sound foundation for Taiwan and the mainland to better their relations in the future. He also thanked the Singapore Government for its assistance that has made the meeting possible.

The Ku-Wang talks will focus on such matters as the establishment of systematic communication channels for routine contact between the two organizations, cooperation on fighting crimes and ways to protect Taiwan investments on the mainland. According to the agenda worked out by SEF and ARATS negotiators in preparatory meetings, three agreements will be signed at the end of the talks. One covers the use of notary certificates to verify cross-strait marriage and inheritance of properties. Another concerns compensation for lost registered mail. The last one concerns the establishment of formal channels of dialogue. These will be the first formal accords ever reached between the two sides.

PRC Tries To Include Direct Links

BK2704075093 Hong Kong AFP in English 0737 GMT
27 Apr 93

[Text] Singapore, April 27 (AFP)—China Tuesday tried to raise the sensitive issue of direct links with Taiwan as the long-time rivals opened landmark talks here Tuesday aimed at promoting non-political cooperation.

The Taiwanese made no response to the opening, Chinese delegates briefing reporters after the first round of talks between the heads of China's Association for Relations Across the Taiwan Straits (ARATS) and Taiwan's Straits Economic Foundation (SEF), said.

"As economic and trade exchanges across the straits are increasing there is an urgent need for the two sides to discuss direct links," ARATS vice-chairman Tang Shubei quoted delegation chairman Wang Daohan as telling SEF chairman Ku Chen-fu.

"Wang said this has to be put on the agenda," Tang said, adding that the Chinese had suggested direct links could begin with cargo shipments to specific destinations.

Fielding journalists' questions, Tang said he noticed Ku and SEF members were "listening very closely to Wang but did not make any direct remarks" in response to the request to discuss direct links at the two-day meeting. Taiwan has banned direct links with China, saying Beijing must first renounce the use of force to recover the renegade capitalist island.

Both Wang and Ku reiterated on arrival here that the parley, the first semi-official talks in 44 years since Chinese communists drove their nationalist rivals off the mainland on to Taiwan, was of an unofficial, economic and functional nature.

ARATS and SEF, which are nominally-private but government-funded, were set up in 1991 to promote non-political exchanges across the Taiwan strait.

Wang, a former mayor of Shanghai, is a member of the Chinese Communist Party's advisory committee, while, Ku, a businessman, sits on the Kuomintang's Central Standing Committee.

Tang said China regarded direct links as an economic problem and viewed economic exchanges and direct links as issues that could not be separated.

"I think the reason why Wang brought up the subject was because of consideration for the mutual benefits of the two sides. So I think the proposal is quite reasonable," he said.

In a strongly-worded statement issued Monday, Taiwan's cabinet-level Mainland Affairs Council (MAC), however, asked ARATS to stop making political remarks during its meetings with the press in Singapore.

The ARATS should be more restrained because such talks have "confused the international media and obviously broken the consensus reached by the two sides" during their preparatory meetings, the MAC said.

In preliminary talks earlier this month, the two sides had agreed to limit the subjects of discussion to non-political issues.

But in his meetings with the press Monday, Tang gave his views on the pro-independence sentiments of the Taiwanese people and said he thought most people in Taiwan wanted reunification with China.

In a 40-minute statement read during the talks, Wang said the two sides had earlier exchanged views on the establishment of an liaison channel and regular follow-up meetings.

Wang also asked that Taiwan allow its people currently living in China to return to the island for home visits.

Tang will continue the talks later Tuesday with his SEF counterpart Secretary-General Chiu Chin-i.

At least two documents, providing for verification of documents and compensation for lost mail, are expected to be signed Wednesday while a third pact to set up systematic communication links is possible.

Meanwhile in Taipei officials said Taiwan had relaxed restrictions to allow government-run enterprises to conduct indirect trade with China on a case-by-case basis.

According to revised regulations announced Monday, public-run firms could handle indirect commerce with China after obtaining special permission from the Economic Ministry, the officials said.

Authorities had also lifted a ban on enterprises developing business contacts with Chinese government-linked firms.

Violators of the restrictions on business exchanges with the mainland will now face a maximum 15 million Taiwan dollar (576,923 U.S.) fine, they said. Previously there was no limit.

Taiwan has listed 3,764 labor-intensive items permissible for investment in China by local manufacturers via third areas and allowed indirect imports of some 500 industrial and agricultural raw materials from the mainland.

Indirect trade between Taiwan and China in 1992 moved up 27.86 percent over the previous year to hit a record 7.41 billion U.S. dollars.

The Nationalist government here, driven off the mainland after losing a civil war to the Chinese communists in 1949, has gradually eased hostility towards Beijing by allowing family visits and indirect business activities with China.

But official or direct business contacts are still banned.

Rejects Investment Guarantee

*BK2704070793 Hong Kong AFP in English 0632 GMT
27 Apr 93*

[Text] Singapore, April 27 (AFP)—China refused Tuesday to sign an investment guarantee agreement with its long-time rival Taiwan on the grounds that economic exchanges between the two sides were not equal.

But it agreed to protect the interests of Taiwan firms in China, while pledging to avoid using political disputes to block economic cooperation.

Wang Daohan, chairman of the quasi-official Beijing-based Association for Relations Across the Taiwan Straits (ARATS), told a Taiwan delegation he did not think the signing of such a pact was appropriate.

"It is inappropriate to sign such an agreement this time under the existing economic and trade policies adopted by Taiwan," Wang said on the first day of groundbreaking talks here with Ku Chen-fu, chairman of Taipei's equivalent body, the Straits Exchange Foundation (SEF).

Wang's remarks were released to reporters in a statement after the first round of talks, which began with the Chinese side calling for an equal basis in trade relations.

"I hope that based on the principles of... reciprocity, Taipei can relax its restrictions on Taiwanese investments in China, ease its ban on imports of mainland products, open its labor market to us and allow our businessmen to visit and invest there," Wang said.

He said only when these demands were met would the mainland consider signing the pact.

Taiwan firms strongly asked the SEF to put the investment guarantee pact on the agenda during its talks with the ARATS. Taiwan's cabinet-level Mainland Affairs Council (MAC) urged the mainland to consider the issue, and said it had completed a draft to protect Taiwanese investments in China.

Currently, more than 2,000 Taiwanese firms are investing indirectly in China, with officially recorded investments totalling 3.8 billion U.S. dollars as of end of 1992. Investment commitments alone amounted to 5.5 billion U.S. dollars last year.

Unofficial statistics in Taiwan indicate the real total of investments is as high as 10 billion U.S. dollars since some firms have not registered with Taiwan authorities their economic activities in China.

Wang, however, asked the Taiwan delegation to be relaxed, saying that although they did not agree to sign the investment guarantee pact, they would continue to protect the interest of Taiwanese firms in China.

"I propose that we put the compensation for expropriated Taiwanese businesses in China, outward remittance

of profits by Taiwan firms, import of facilities for Taiwanese enterprises ... in words as our consensus after our talks," Wang said.

He said the two sides should also establish a legal labor cooperation system to allow mainland people, including laborers, sailors, fishermen, specialists and other technicians to work in Taiwan for certain periods.

He also invited Taiwanese firms to invest in construction projects in Pudong in Shanghai and Sanxia in the Yangtze River area. The two sides could set up joint ventures for this purposes, he noted.

Wang suggested that Taiwan cooperate with China in joint exploration of energy and resources, including exploitation of coal and other mines, and supplies of raw materials for Taiwan.

On technological cooperation, the two sides could start from cooperation in six categories, including facsimile machines and laser printers, calculators, high-speed trains, shipbuilding, telephone, biological and medical development.

Protection of intellectual property rights, including trademarks and patents, which have been pirated by both sides, was necessary, Wang said, adding the two sides could discuss how they can protect these rights.

President Says Talks To Safeguard Well-Being

*OW2704082193 Taipei CNA in English 0754 GMT
27 Apr 93*

[Text] Taipei, April 27 (CNA)—The government will never sacrifice the interests of Taiwan people while forging rapprochement with Mainland China, President Li Teng-hui said Monday [27 April].

Li made the statement while receiving a delegation of expatriate Taiwan businessmen organized by the Taiwan Chamber of Commerce in North America on the eve of a historic meeting in Singapore between the two sides of the Taiwan Strait.

C. F. Ku, chairman of Taipei's Straits Exchange Foundation (SEF), and Wang Daohan, chairman of Beijing's Association for Relations Across the Taiwan Strait (ARATS), are meeting in the city-state Tuesday and Wednesday to discuss ways to promote relations between the two intermediary organizations.

President Li told his guests that the Ku-Wang rendezvous is private in nature and mainly intended to resolve non-political administrative issues arising from civilian cross-strait exchanges over the past few years.

Li pointed out that the split of China resulted from historical factors and China's reunification is the government's ultimate goal. Before reunification, the president said, peace must be maintained between the two sides and Taiwan's security must be protected.

"We must remain cautious and pragmatic in developing relations across the strait," Li said. "Every step must be

taken carefully." "The well-being of the 20 million people on the island is our constant concern," he noted. "Therefore, there will never be such a thing of betrayal of Taiwan in cross-strait dealings," he added.

Although reunification is a common wish, Li said, "There is no timetable for the realization of that goal." The president admitted that after more than 40 years of separation, relations between the two sides have become very complicated. Moreover, there is no precedent that can be followed in handling cross-strait exchanges.

"For the sake of our national interests we must take the initiative to reduce tension, hostility and suspicion between the two sides," Li said.

The government therefore began to allow people-to-people contact with the mainland five years ago. The Ku-Wang meeting aims to resolve disputes and technical issues arising from such exchanges, Li said. "We must remain confident and stand on firm grounds in dealing with the mainland," the president stressed. "Concern that Taiwan might be betrayed in the Ku-Wang talks is unfounded," he asserted.

MAC Chief on Cross-Strait Economic Conference

*OW2704081593 Taipei CNA in English 0739 GMT
27 Apr 93*

[Text] Taipei, April 27 (CNA)—Chairman Huang Kun-hui of the Mainland Affairs Council (MAC) said Tuesday [27 April] that the proposed cross-strait economic conference will be held when Beijing responds positively on the protection of Taiwan business investments in Mainland China.

Huang said that there is no point to hold a cross-strait economic meeting unless Beijing guarantees to help solve the problem. The meeting has been proposed to coordinate efforts between Taipei and Beijing on shared economic and trade issues.

Such a meeting may be held before the end of this year if both parties can take a sincere look at the various problems encountered by Taiwan businessmen and reach consensus on a framework for resolving the problems.

New Taipei Representative Arrives in London

*OW2704095193 Taipei CNA in English 0812 GMT
27 Apr 93*

[Text] London, April 26 (CNA)—Eugene Chien, the newly assigned representative of the Free Chinese Center in the United Kingdom, accompanied by Mrs. Chien, arrived Monday [26 April] in London to assume his post.

He was welcomed at the airport by a number of Chinese scholars, leaders from Chinese communities and heads of several ROC [Republic of China] official agencies and enterprise branches in London.

At a news conference held at the airport, Chien said he would "follow his predecessor's efforts to further promote the friendly relations existing between the Republic of China and the United Kingdom in a pragmatic way."

Equal Treatment Promised for Overseas Chinese

*OW2704094993 Taipei CNA in English 0817 GMT
27 Apr 93*

[Text] Taipei, April 27 (CNA)—The Government of the Republic of China [ROC] will in no way discriminate against any Overseas Chinese when formulating policies, Chang Hsiao-yen, chairman of the Overseas Chinese Affairs Commission, said Monday [26 April].

"The commission's service to Chinese communities abroad will be non-discriminatory, regardless of the backgrounds of their members," Chang said in a report to the Kuomintang monthly meeting in memory of Dr. Sun Yat-sen.

"The wall long existing between different Overseas Chinese groups should be broken down so that these groups can forge stronger cooperative ties," Chang said.

His remarks were in response to criticism that the commission had in the past focused its service on the "old settlers" abroad and had somewhat neglected the "new settlers" whose numbers have surged in recent years.

Chang pointed out that North America is the most favored destination of new Chinese emigrants. A US survey in 1990 indicated that there were 1.64 million Chinese Americans, and only about 30 percent of them were born in the US.

The figure was nearly double of what it was 10 years ago, largely as a result of the great number of emigrants from Taiwan, Hong Kong, and the China Mainland. Half of the first generation emigrants in the US were from Taiwan, according to Chang.

Economy on 'Healthy' Track in March

*OW2704091393 Taipei CNA in English 0801 GMT
27 Apr 93*

[Text] Taipei, April 27 (CNA)—Reports of a slight decline in the government's key economic barometer and a healthy "green light" in March's economic performance indicate that the domestic economy is on a steady track.

The Council for Economic Planning and Development (CEPD) reported Tuesday [27 April] that the index of leading indicators, designed to forecast economic activities three to five months in advance, stood at 112.0, down 0.4 percent from February. March's index of coincident indicators, which reflects the country's economic health for the month, was rated at 136.7, a 1.3 percent growth from a month before.

[Words indistinct] economy got a score of 23 in the CEPD-designed scaling system, which measures the economy based on nine major indicators: Export value, stock prices, check

default rate, export orders, money supply, industrial production index, bank lending, factory inventories, and the non-farming employment rate.

With the score, the economy got a robust "green" light in March, the same as in February [words indistinct] the minimum score for a "green" light is 23. Except for September and November in 1992 as well as January in 1993, [words indistinct] past 22 months have seen the flash of a safe "green" light, CEPD officials pointed out.

The CEPD uses a five-color rating system to measure the country's economic prospects. "Red" light means the economy is overheated. "Yellow-red" signals brisk economic growth. "Green" indicates steady growth. "Yellow-blue" shows economic slowdown, while "blue" means recession.

In March, the two indicators of industrial production and stock prices climbed from the "blue" light to "yellow-blue," the check default rate rose from "yellow-blue" to "green," while export orders and the employment rate plunged from "green" to "yellow-blue" and bank lending fell from "red" to "yellow-red." The other three indicators remained unchanged.

An accompanying survey conducted by the CEPD on domestic manufacturers shows that 55 percent of those polled forecast no change in the economic outlook for the next three months, 32 percent predicted that it will turn for the better, and the remaining 13 percent said that it will get worse.

Nuclear Institute Stores Natural Uranium 238

*OW2704015593 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT
25 Apr 93*

[From the "Hookup" program]

[Text] (Hsia Te-yi), director of the Research Institute of Nuclear Energy under the Legislative Yuan's Atomic Energy Council, has indicated that the Research Institute of Nuclear Energy has actually stored 7,000 kg of natural uranium 238. This deposit is natural uranium and not uranium 235, therefore, it does not pose any security threat. It will be used as nuclear fuel material for our country to develop nuclear power plants. It is a useful asset.

(Hsia Te-yi) pointed out: The Nuclear Materials Plant under the Research Institute of Nuclear Energy has actually stored 7,000 kg of natural uranium 238. This deposit of natural uranium is comprised of fragments of uranium produced when the Research Institute of Nuclear Energy—which was previously under the Chungshan Institute of Technology and Science—was making (?TRR) fuel for a heavy-water reactor. The radioactivity ratio between uranium 238 and uranium 235 is below 0.1 percent; therefore, the former's radioactivity is very low. Even if we touch it with our hands, it will not pose any danger.

(Hsia Te-yi) added: Even though the uranium 238 stored at the Research Institute of Nuclear Energy is only fragments produced in the course of making (?TRR) uranium fuel, it is not useless waste. It does not involve the question of final

disposal. In the future, this deposit of natural uranium will be used as nuclear fuel materials for developing nuclear power plants. It has economic value, and consequently it is still stored at the Research Institute of Nuclear Energy.

Hong Kong**'No Hint' of Progress in Talks Reported**

*OW2604163193 Beijing XINHUA in English 1616
GMT 26 Apr 93*

[Text] Beijing, April 26 (XINHUA)—The first round of the talks between China and Britain over Hong Kong have ended with no hint from either side on progress.

After the three days of talks they issued a news release on April 24 containing fewer than 200 Chinese characters.

They are due to resume talks again in Beijing on Wednesday [28 April].

It is known to all that the Basic Law of the Hong Kong Special Administrative Region makes clear the development of Hong Kong's political system. After he took office, the new Hong Kong governor unilaterally put forward a so-called "constitutional package", which led to a six-month-long argument.

The Sino-British talks which began on April 22 were held after the two sides removed obstacles through diplomatic contacts and reached a consensus on the principles for discussion.

Jiang Enzhu, the Chinese Government representative and vice-minister of foreign affairs, and Sir Robin McLaren, the British Government representative and British ambassador to China, headed the delegations.

In order to prevent the acrimony of "microphone diplomacy", both parties avoided comments in a bid to create a good working atmosphere.

For several days journalists have been busy trying to find out the results of the talks. The opening round mainly centered on the arrangements for the 1994/1995 elections in Hong Kong. The news release said "the talks were held in accordance with the Sino-British Joint Declaration, the principle of convergence with the basic law of the Hong Kong Special Administrative Region and the relevant agreements and understandings reached between China and Britain."

These principles are the results of the joint efforts made by both sides for many years. Chinese leaders and Lu Ping, the director of Hong Kong and Macao Affairs Office under the State Council, time and again reaffirmed these principles.

It is believed that all existing problems and differences between the two sides can be resolved so long as they act in accordance with these three principles.

Otherwise, there is not that much to talk about.

Although the results of the talks remain unknown they were, however, held on the basis of the three principles, and this is just what people expected.

The brief news release included word on the second round of the talks scheduled for April 28 and 29 in Beijing.

This shows that the issue on the arrangement for the 1994/1995 election in Hong Kong cannot be settled through one meeting or by one contact.

Just as Lu Ping said during a meeting with a delegation from Hong Kong a few days ago—that the two sides would probably need to hold two, or even three rounds of talks to settle the points at issue. Therefore it is imperative to appreciate the difficulties faced.

However, no matter how long the talks will last, people sincerely hope that the issue concerning Hong Kong's political system will be resolved successfully to benefit Hong Kong residents and ensure a smooth transition in Hong Kong.

This is Hong Kong residents' common aspiration and also conforms to the fundamental interests of China and Britain.

Reforms 'Continuing To Concern' PRC Leaders

HK2604140893 Hong Kong Asia Television Limited in English 1200 GMT 26 Apr 93

[From the "Main News" program]

[Text] The Sino-British dispute over political reforms in Hong Kong is continuing to concern China's top leaders. As Morlan Sanders reports from Beijing, this comes as the head of the British team predicts that nothing substantial will be said after the second round of talks:

[Begin recording] [Sanders] If there was ever any confirmation needed of how the Hong Kong issue continues to reach the parts others cannot, then this is it. Speaking to ATV [Asia Television Limited] News in Beijing, Deng Xiaoping's daughter says the territory remains high in the patriarch's mind.

[Deng Nan, in Mandarin] Of course this is a great concern for him because he is prepared to visit Hong Kong in 1997.

[Sanders] Miss Deng says her 87-year old father remains in good health and exercises frequently. The high-level comments come as both sides prepare for the second round of discussions on Wednesday and Thursday. But the British ambassador to China, Sir Robin McLaren, says he doesn't expect to be able to tell Hong Kong people their political future has been calmed.

[McLaren] I can't. I wouldn't have thought so. But I can't tell you that. We've always said that these talks are likely to take time.

[Sanders] Chinese sources agree with Sir Robin, saying trust between the two sides must be restored before any agreements can be reached. [end recording]

The governor has met members of the British negotiating team for a briefing on the talks. As Geoff Cutmore reports, this comes as public confidence sent share prices soaring to a new high:

[Begin recording] [Cutmore] Mr. Patten chaired the routine session which lasted about an hour but declined to comment afterwards, although it's thought both the first round and upcoming second round of talks were discussed. The chief and financial secretaries, along with team members Michael Sze and Peter Ricketts, are believed to have been present. The lack of news didn't upset the stock market, where bullish investors sent the Hang Seng Index to a new high.

[Alex Tang of Dao Hang Securities] The main reason was, of course, we are going to see a second round of Sino-British talks. We suggested, through our study, that we are going to see an early resolution of the Sino-British impasse. And the investors are quite bullish and optimistic about the second round of talks.

[Cutmore] The Index rose 94 points to close at 6,845. Brokers are optimistic the confidence barometer will reach 7,000 before profit-taking begins. They see the issue of the renewal of China's most favored nation trading status by the United States as the next big hurdle for investors to overcome. [end recording]

Chinese Side 'Now More Optimistic' About Talks

HK2704042693 Hong Kong MING PAO in Chinese
27 Apr 93 p 2

["Special dispatch" from Beijing by staff reporters Li Hui-ling (2621 1979 3781) and Tu Fu-liang (2629 4395 5328): "The Chinese Side Is Now More Optimistic About the Talks Than in The Past"]

[Text] Chinese officials have completed their appraisal of the progress of the first round of Sino-British talks on Hong Kong's political system, and have formed a more optimistic estimate of the overall situation than in the past. However, British officials seem very prudent in their appraisal of the developing circumstances.

According to a Chinese official source, before the talks, the Chinese side always took a wait-and-see or even skeptical attitude toward the sincerity of the British side. With the completion of the first round of talks, although the Chinese side could not fully trust the British side at once, it felt a bit relieved and was more optimistic about the prospects for the talks. The source described the talks as making progress in a good direction.

The Chinese and British sides are always divergent on the schedule for submitting the draft political reform to the Legislative Council [Legco]. The Chinese side does not consent to the British side's idea: The draft political reform must be submitted to the Legco for approval by the end of July this year, that is, before the end of the current legislation year, otherwise the work for 1994-95 elections cannot be done in time.

According to the Chinese side, it hopes that the matter can be further considered and discussed so as to complete the arrangements for the 1994-95 elections once and for all and so that the process will not be too hasty. Likewise, the Chinese side does not agree that the legislative work must be, technically speaking, completed within this legislation year. They hold rather that if necessary, the legislative work on the 1994 District Board elections, which are less controversial and will be held earlier, might be carried out first so that both sides can have more time to discuss the most controversial issue of the 1995 Legco elections.

Following the first round of talks, the Chinese side reckons the British side will be more likely to handle the timetable issue in a flexible manner.

However, the source stressed that even though the Chinese side had formed a more optimistic estimate of the situation, it still foresaw many difficulties on the negotiating table. The Chinese side held that the two most difficult problems to be solved would be the arrangements by which the Legco would allow no more than 20 percent of council members of foreign nationality and the issue of the through train.

The Chinese source also said: As far as the issue of the through train is concerned, the Chinese side continuously maintains that as stipulated in the Basic Law, "only when Legco members pledge loyalty to the special administrative regional [SAR] government and support the Basic Law can they continue to take the through train," and that the words "pledging loyalty" to the SAR government and "supporting" the Basic Law are descriptions with real meaning. Someone suggested that when examining Legco members' qualifications for "taking the through train," their past deeds should not be traced back, but the Chinese side felt they had a large number of reservations.

On the other hand, British officials seemed very prudent toward the progress of the first round of talks and repeatedly stressed that so far, they still could not estimate whether or not the issue of political reform could be settled without a hitch.

A source on the British side also denied a report that during the first round of talks, representatives of both the Chinese and the British sides only discussed principles. He said that as a matter of fact, the talks had touched on certain practical election arrangements.

Yesterday, AFP also quoted British Hong Kong officials as saying: Do not expect the second round of talks, which is going to begin tomorrow, to make a breakthrough.

UK 'Insisting' Reform Conforms With 3 Accords

HK2704041093 Hong Kong SOUTH CHINA MORNING POST in English 27 Apr 93 p 2

[By Chris Yeung and Fanny Wong]

[Text] China and Britain remained deadlocked over the key principle of whether the 1994/95 electoral arrangements should dovetail with the Joint Declaration, the Basic Law and previous accords reached between the two sides, it was revealed yesterday.

Sources said both sides still did not see eye-to-eye over the basic principle at the first round of Sino-British political reform talks which ended in Beijing last week.

A source said it would be difficult to go into the nitty-gritty of the 1994/5 electoral arrangements if the two sides were still poles apart over principles.

The New China News Agency [XINHUA] (NCNA) last night hinted that the two sides were divided on whether the "three accords" should become the basis for talks.

"People believe that all existing problems and differences can be solved if the two sides stick to the three principles. Otherwise, there's nothing that can be discussed," the NCNA said.

"Although (we) are yet to know the results of the talks, people hope that the talks are conducted on the basis of the three principles," it said in a signed article, which was carefully-worded to avoid breaching the confidentiality rule of the talks.

The agency said the "degree of difficulty of the negotiations" should not be under-estimated.

The source said London has also been unable to stick to the principle that the talks were a matter between two sovereign countries, and that there was no role for Hong Kong.

"If they accept the principles of 'three accords', the details could be worked out smoothly. But that's not the case now.

"They are still insisting the (Governor) Chris Patten's political proposals are in line with the 'three accords.'

"Under their (the Patten) blueprint, the total of direct elected seats will be 39 instead of 20. It has already violated the Basic Law. Therefore, the most important thing now is to first agree on the principles. Otherwise, there's nothing to be talked about," the source said.

The source also attacked Hong Kong officials taking part in the talks, saying they had been trying to give the impression that they were part of the "British team".

Citing the differences over the principles, the source said it would be "very difficult" for the two sides to come to an early settlement on the electoral arrangements.

Following the second round of talks, which opens in Beijing tomorrow, it is expected there will be a two-week break before negotiations can be resumed as Mr Jiang Enzhu, the Chinese negotiator, will be accompanying the Foreign Minister, Mr Qian Qichen, on a trip to Europe.

Commentary Views Foreign Exchange Market

HK2704111793 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1200 GMT 10 Apr 93

[“Commentary” by Yu Cheng (6735 2052): “Hong Kong Slows Development Along With Its Foreign Exchange Market”]

[Text] Hong Kong, 10 Apr (ZHONGGUO TONGXUN SHE)—As compared with other foreign exchange markets in Asia and the rest of the world, the development of the foreign exchange market in Hong Kong is obviously slowing down. As the prospects of the international foreign exchange industry are not very bright, it is hard to expect any obvious change in the Hong Kong market.

According to the latest statistics announced by the Bank for International Settlements in April 1992, the net daily volume of spot and futures transactions in major international exchange markets was \$880 billion. Spot trade increased by 15 percent over the 1989 figures, and the volume of trade in the swap market increased by 56 percent, with its proportion in overall exchange transactions increasing to 40 percent. In the past three years, the volume of spot trade increased by merely 15 percent, and this, to a certain extent, reflected the sluggishness of the market.

As for Hong Kong's exchange market, the daily trading volume in April 1992 was \$61 billion, an increase of 24 percent over the \$49 billion in April 1989. On the surface, this growth rate was not bad, but the actual expansion was not as fast as in nearby markets. In particular, the volume of exchange trade in Singapore increased by nearly 40 percent to \$76 billion. This showed the active foreign exchange trade in Southeast Asia. The growth rate of the Japanese market was only 10 percent, because it was already gigantic. Its volume reached \$126 billion.

The performance of the exchange market in Western Europe was rather impressive. The British market, which ranked first in Europe, recorded an average daily trading volume of \$300 billion in April 1992, an increase of 60 percent. The volume of trade in Spain and Greece increased by a high rate of 170 percent in these three years, and the growth rate in Denmark also reached 112 percent. All this shows that currency exchange in West European countries has been brisk.

At any rate, the growth rate of the overall international exchange transactions was far lower than in the past. This made it difficult for the Hong Kong exchange market to develop substantially. Some American banks were faced with the problem of oversized credit and had to contract their international business. As a result, in the last few years, they reduced or even ended exchange trade in Hong Kong. The activity of the Hong Kong exchange market was greatly reduced.

From the late eighties to the early nineties, however, the Singapore exchange market developed rapidly. Even so,

there were also signs that it was slowing down in the last few months. The Singapore exchange dealers recently held a meeting to study ways to rescue the market. This showed that the prospects of exchange trade were not bright enough.

There were very complicated factors behind the sluggish growth of the international exchange market. The main reasons were: First, the central banks in Europe, the United States, and Japan intensified their activities in the exchange market, and this cast a shadow on the trade between exchange dealers and bank funds. Second, consulting services were well developed in various places, and people engaged in exchange trade generally used charts as a guide to choose the timing of transactions. Third, trade between major currencies other than U.S. dollars became more active, and more factors for consideration became involved in the market. Fourth, the participation of transnational groups weakened the strength of exchange dealing institutions in the market.

Many currencies will fluctuate within a narrow scope in the near future, but they may abruptly rise or fall. This will increase risk in exchange transactions. It is believed that the international exchange market, including the Hong Kong market, will grow at a moderate pace in the future.

Big Rise Seen in Textiles With False Origins

HK2604131793 Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) in English 26 Apr 93 p 1

[By Eric Anderson]

[Text] The value of textiles with false labels of origin seized by Hong Kong authorities last year soared 150 percent on the 1991 figure.

Customs officials could not identify whether the increase showed massive growth in the illegal transhipment of textiles through Hong Kong, or reflected the results of tighter enforcement by the government.

Illegal transhipment occurs when the source of goods is mislabelled to avoid textile quotas in the true country of origin.

Because China's production capacity far exceeds its quotas, it is believed that many Chinese products are falsely labelled.

In 1991 there were 199 consignments of falsely labelled textiles worth \$55 million seized in Hong Kong.

Last year, this grew to 233 consignments worth \$137 million, according to the Customs and Excise Department.

"It may not reflect actual," whether there's been an increase in illegal activities," said Mr Leung Yau-yam, head of trade controls with the Customs and Excise Department.

He noted that the number of customs personnel specialising in textiles had increased by 25 percent over the past four or five years—to a total of 500 officers specialising in that area.

In July, the department launched an 11-member textile fraud task force.

"We have put in more people there so naturally there should be more seizures," Mr Leung said.

It is impossible to put an exact figure on the level of illegal transhipments because it is assumed that many slip through customs checks.

A U.S. Customs Service official said that, despite the cooperation of Hong Kong authorities, illegal transhipments through the territory remained a major problem as market forces pushed Hong Kong textile factories across the border.

"Places like Hong Kong, Taiwan and Korea are working themselves out of the textile market" as their increasingly affluent workers refuse "hot, dirty work in a factory" for low wages, the U.S. customs official said.

Meanwhile, he said China had far more production capacity than it had quotas.

While China's U.S. textile quotas are roughly comparable to the quotas assigned to Taiwan and Hong Kong, "it has a capacity that is maybe two or three or four times these places," he said.

The U.S. customs official estimated that up to four million Chinese workers would lose their jobs if the illegal transhipments were eliminated.

"It's like water behind a dam—when it keeps rising and rising ... it spills over the top," the official said.

"Supply is there (in China), production is there. It's going to find its way to the market."

The official called the Hong Kong Customs and Excise Department "very hardworking and very cooperative" but said that, with the huge volume of textiles passing through the territory, "there's going to be some slippage."

In comparison with Hong Kong, Taiwan and South Korea have "much less enforcement," the U.S. customs official said.

While China "has come a long way" in its effort to crack down on the problem of illegal transhipments, "there is a lot more it can do," the official said.

Illegal transhipments of mainland textiles could be used as ammunition by American textile manufacturers, eager for tougher curbs on China's exports, during the debate on renewal of China's most favoured nation trading status, said another U.S. official.

But the official emphasised that estimates of the value of illegal transhipments were purely speculative.

He said he had not seen anybody, anywhere produce anything to support specific estimates.

Nevertheless, the illegal transhipments undoubtedly added to the problem of the huge U.S. trade deficit with China, which officially topped U.S.\$18 billion last year.

The deficit would be larger if illegal transhipments were calculated, the official acknowledged.

The U.S. is the world's biggest market for apparel.

Under the illegal practice, which is believed to be going on in Hong Kong and around the world, the transhipped goods are delivered to a third country, where their labels are changed to hide their true source.

While the original source of the goods may have trouble staying within its quota limit, the third country is chosen because it may not have reached its limit or it may not be subject to restrictions.

Chile's Pinochet Arrives for 'Private Visit'

HK2704082693 Hong Kong AFP in English 0759 GMT 27 Apr 93

[Text] Hong Kong, April 27 (AFP)—Former Chilean dictator Augusto Pinochet was in Hong Kong on Tuesday, making a "private visit" after a secretive trip to China, a Chilean diplomatic source said.

It was not known how long Pinochet, 78, leader of a September 1973 military coup that ended 46 years of constitutional rule in Chile, would remain in the British colony.

Pinochet, still commander-in-chief of Chile's army, went to China last Thursday at the head of a 15-member military delegation. His program included a show of Chinese weaponry laid on by a unit of the People's Liberation Army.

Commentary Views Increases in Taiwan Exchanges

HK2604133593 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0832 GMT 23 Apr 93

[Commentary by Yu Cheng (6735 2052): "Trade Between Hong Kong and Taiwan Becomes Increasingly Brisk"]

[Text] Hong Kong, 23 Apr (ZHONGGUO TONGXUN SHE)—The fact that economic and trade contacts between the mainland and Taiwan are becoming increasingly frequent is not having any adverse effect on economic and trade links between Hong Kong and Taiwan; rather, these links are exhibiting a trend of continuous positive development. All kinds of economic and trade exchanges between Hong Kong and Taiwan will maintain their vitality in the future.

For many years, the mainland and Taiwan have conducted limited economic and trade exchanges through Hong Kong and other places. The situation has improved in recent years, however, and economic and trade activities between the mainland and Taiwan are becoming increasingly active. Nevertheless, this is not having any effect on trade or other economic activities between Hong Kong and Taiwan, and they are still in very close contact. Taiwan now steadily ranks as Hong Kong's seventh largest export market.

According to the most recent statistical figures released by the Hong Kong Government, Hong Kong exports to Taiwan in the first two months of the year totaled HK\$923 million [Hong Kong dollars], a 17.2-percent increase over the same period last year. We can say that this development is progressing steadily. The quality of Hong Kong commodities is continuously improving, and they are now experiencing comparatively good sales in Taiwan and other markets. As long as Hong Kong businessmen continue to establish and consolidate the images of their commodities, it will not be difficult for them to exhibit better performance in Taiwan and other markets.

Taiwan products are becoming increasingly welcome in Hong Kong, and Taiwan is now Hong Kong's third largest product supplier. During the first two months of the year, Taiwan's exports to Hong Kong totaled HK\$12.877 billion, an increase of 20.3 percent over the same period last year. This figure was even slightly higher than that for imports from the mainland and Japan, the first two product suppliers. The quality of Asian-made products is improving daily and is being upgraded. These products are proving themselves able to gradually take the role of European and American products in Hong Kong.

In view of the rapid growth in trade, exchanges of visits by Hong Kong and Taiwan businessmen are becoming increasingly frequent. According to the latest figures from the Hong Kong Tourist Association, a total of 2,916 Taiwan people came to attend various types of business meetings in Hong Kong last year, a sharp increase of 103.5 percent from 1,433 persons in 1991. During this period, a total of 14,683 persons came to participate in exhibitions, an increase of 29.9 percent, and the number of business meetings held increased by approximately 44 percent.

The number of ordinary Taiwan travelers who came as tourists and visited relatives is much higher. During the first two months of this year, a total of 234,978 Taiwan travelers visited Hong Kong, an increase of 15.8 percent over the same period last year, whereas the average increase of all travelers was only 4.1 percent. We can easily see the frequency of the exchanges between Hong Kong and Taiwan.

Taiwan travelers have very strong purchasing power in Hong Kong. Last year, their total value of expenditure in Hong Kong came to HK\$11.81071 billion, a major increase of 67.9 percent over the HK\$7.033 billion spent in 1991. The average per-capita expenditure of Taiwan travelers during their stay in Hong Kong is HK\$7,215, higher than that of all other travelers. Travellers from Taiwan have become a very important source of Hong Kong's tourist income.

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